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AGREEMENT

BETWEEN

XEROX CORPORATION

ROCHESTER, NEW YORK

MONROE COUNTY

AND

329 JP

LOCAL 14A

ROCHESTER REGIONAL JOINT BOARD

XEROGRAPHIC DIVISION

**UNION OF NEEDLETRADES, INDUSTRIAL & TEXTILE
EMPLOYEES, AFL-CIO**

2002 - 2005

Duration = 3/18/02 - 3/13/05

4/17/03

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AGREEMENT

* Made the 17th day of March, 2002 between XEROX CORPORATION, located in Stamford, Connecticut (hereinafter referred to as the "Company") and the XEROGRAPHIC DIVISION, UNION OF NEEDLETRADES, INDUSTRIAL & TEXTILE EMPLOYEES, A.F.L. - C.I.O., located at 750 East Avenue, Rochester, New York (hereinafter referred to as the "Union") on its own behalf and on behalf of the ROCHESTER JOINT BOARD, UNITE and its Local 14A.

WITNESSETH:

ARTICLE I.

DECLARATION OF PURPOSE

This Agreement is established for the purpose of providing a continual collective bargaining relationship, which will promote a spirit of mutual understanding, harmony and cooperation between the parties and is designed to serve the best interest of all concerned and insure industrial peace.

The Company and Union agree to a work environment characterized by Employee Involvement and dedicated to the proposition that every employee shall support the concept of continuous quality improvement while reducing quality costs through teamwork and the tools and processes of Leadership Through Quality.

* Effective 3/18/02 (See p. 74)
A.C.F.

ARTICLE II.

UNION RECOGNITION, MEMBERSHIP, AND REPRESENTATION

A. RECOGNITION OF THE BARGAINING UNIT

1. The Company recognizes the Union as the collective bargaining agent for all employees of the Company located in the vicinity of the County of Monroe, State of New York, as specifically set forth in the job classifications in Schedule A., attached to this Agreement and made a part hereof, with the exception of non-working supervisors, office employees, plant clerical employees, draft persons, technical and engineering aides, branch office personnel, dispatchers, expeditors, tool designers, parts coordinators, factory service representatives, technical representatives, guards, watchpersons, as well as professional workers, as defined by the Fair Labor Standards Act, and employees in the power plant who are represented by another labor union.
2. It is agreed that all work performed by the employees in the Bargaining Unit, as described in A., 1., above, shall be performed under the terms of this Agreement.
3. Company employees who are not members of the Bargaining Unit shall not perform work similar to that being performed by Bargaining Unit employees, except in the following cases:
 - a. When teaching or instructing new employees on the job.
 - b. In emergencies. (It is understood, however, that in such cases, every reasonable effort practicable shall be made to notify the appropriate duly authorized Shop Representative and to provide employees to fill positions required to carry on normal production.)
4. Should circumstances be such that there are surplus employees of appropriate job classifications and skills available in the Manufacturing Seniority Unit, such employees shall be assigned to meet the personnel requirements of the Research and Engineering Laboratories before non-Bargaining Unit personnel are utilized.
5. In the event that surplus Manufacturing Seniority Unit employees of the appropriate job classifications and skills are not available when the need arises, the Union shall be notified accordingly and afforded an opportunity to review and discuss the situation with appropriate representatives of the Company. At such discussion, the Company shall attempt to provide the Union with an estimate of the time required to satisfy the need. The Research and Engineering Laboratories shall then have the right to use non-Bargaining Unit personnel to perform assembly and/or inspection operations along with Bargaining Unit employees. The Company agrees not to use non-Bargaining Unit personnel in lieu of Bargaining Unit employees. It further agrees not to use non-Bargaining Unit personnel until Bargaining Unit employees of those organizations are themselves used to the maximum of their ability.
6. When developing and introducing new or modified products, the Company shall assign work, consistent with its operational needs, to the appropriate job classifications of the Bargaining Unit.

B. SUBCONTRACTING

1. The Union recognizes the Company's right to determine what work is done within the jurisdiction of the bargaining unit and what work is to be either subcontracted, outsourced, vended or placed in other Xerox facilities.
2. The parties further recognize that such decisions will be subject to changing business conditions and will be ongoing.
3. The Company further agrees that any and all decisions to either subcontract, outsource, vend or relocate work performed by the bargaining unit will only be reached after full disclosure, in advance, with the Union leadership. Such meetings will be called as-needed and will provide the Union with all relevant facts, to include the impact of such action on the bargaining unit.
4. Monroe County distribution & warehousing operations currently entitled Supply Chain Logistics & Support, are exempt from this provision.
5. Existing agreements requiring overtime thresholds operative in the Tool Room/Model Shops and Maintenance operations will continue to be respected as it relates to the vending of that work.
6. Monroe County Custodial operations are exempt from this provision.
7. Employees directly displaced from their permanent job classifications, as a result of subcontracting, and employees indirectly displaced from their permanent job classifications, as a result of having been bumped by those employees directly and/or indirectly displaced, shall be paid red circle rates in accordance with Article V. B.

C. UNION MEMBERSHIP

1. The following conditions for employment regarding all employees of the Company covered by this Agreement shall apply:
 - a. Those employees who are already members of the Union when this Agreement takes effect shall remain members in good standing.
 - b. After the thirtieth (30th) day following the effective date of this Agreement, or such longer period as the parties may specify, those employees who are not members of the Union when this Agreement takes effect shall become and remain members in good standing.
 - c. After the thirtieth (30th) day following the beginning of such employment, or such longer period as the parties may specify, all employees covered by this Agreement and hired on or after its effective date shall become and remain members in good standing.
2. The Union agrees to admit to membership all present and future employees covered by this Agreement on the same terms and conditions generally applicable to its other members.

3. The Company shall have the right to secure new employees from any source. All newly hired employees shall be subject to a thirty (30) day probationary period (except as otherwise provided in Article IX., B.) during which period the Company shall have the unqualified right to suspend or dismiss new employees. The exercise of such right shall not be subject to arbitration.
4. The Company agrees to make periodic wage deductions for the appropriate initiation fee and weekly dues and to remit same to the Union for each employee who executes a written form of authorization, which shall not be revocable for a period of more than one (1) year or beyond the termination date of this Agreement, whichever occurs sooner.
5. Any employee who is expelled or suspended from the Union because of nonpayment of dues or initiation fee shall be subject to discharge seven (7) days after notification in writing to the Company by the authorized representative of the Union. However, if payment is made within such seven (7) day period, the Company shall not be required to discharge said employee. When an employee has been discharged by the Company due to such suspension or expulsion by the Union, the Company shall not be required to re-employ or reinstate said employee at any time.

D. NON-DISCRIMINATION

1. There shall be no discrimination, interference, restraint, or coercion by the Company or any of its agents against any member of the Union because of membership therein and/or Union activities.
2. Both the Company and the Union agree to support the principles of Equal Employment Opportunity, and to comply with all applicable laws, rules, regulations, and guidelines regarding discrimination against an employee because of race, sex, age, religion, color, national origin, handicap, marital status, sexual orientation, or Vietnam War Era veteran status.

ARTICLE III.

NO STRIKES OR LOCKOUTS

Under no circumstances shall strikes, sympathy strikes, stoppages of work, walkouts, slowdowns (concerted activity to reduce production in order to impose a penalty against the Company), or picketing be ordered, sanctioned, permitted, or enforced by the Union, its officials, agents, or duly authorized Shop Representatives. In the event of a strike, stoppage, walkout, slowdown, or picketing, the Union, acting through its officers, shall promptly and publicly state within twenty-four (24) hours after being notified by the Company of the commencement of such activity that the strike, stoppage, walkout, slowdown, or picketing is not authorized by the Union, is disapproved by it, and order the employees back to work to resume normal production.

Any employee who participates in a strike, sympathy strike, stoppage of work, walkout, or picketing shall be subject to such discipline as the Company, acting through a Plant Manager or higher official, may see fit to impose, including termination of employment.

Any employee who participates in a slowdown and continues to do so after notice from the Union or twenty-four (24) hours after such activity commences, whichever occurs sooner, shall be subject to such discipline as the Company, acting through a Plant Manager or higher official, may see fit to impose, including termination of employment.

Under no circumstances shall lockouts be ordered, sanctioned, permitted, or enforced by the Company, its officials, or agents.

ARTICLE IV.

HOURS OF WORK

A. THE STRAIGHT-TIME WORKWEEK

Forty (40) hours shall constitute the workweek.

B. OVERTIME AND PREMIUM PAY

1. *Daily and Weekly Overtime*

- a. Employees shall be paid overtime pay at the rate of time-and-one-half their regular rate of pay for all hours worked in excess of their regular eight (8) hour shift in any workday or forty (40) hours in any workweek.
- b. In specific operations where the Company and the Union have agreed to a workweek of four (4) days, employees shall be paid overtime pay at the rate of time-and-one-half their regular rate of pay for all hours worked in excess of ten (10) hours in any workday or forty (40) hours in any workweek.

2. *Pay for Employees on the Regular Monday through Friday Work Schedule*

a. *Pay for Saturday*

- (1) Employees who work six (6) consecutive days, Monday through Saturday, shall be paid at time-and-one-half their regular rate of pay for all hours worked on Saturday.
- (2) Employees who are scheduled to work on Saturday, but who do not work on one (1) or more regularly scheduled workdays, shall be paid at straight-time for all hours worked on Saturday.
- (3) Employees whose regular work schedule includes some working hours on Saturday shall be paid for such time worked on Saturday at time-and-one-half their regular rate of pay.

b. *Pay for Sunday*

- (1) Employees who work seven (7) consecutive days, Monday through Sunday, shall be paid at double their regular rate of pay for all hours worked on Sunday.
- (2) Employees who are scheduled to work on Sunday, but who are absent from work on one (1) regularly scheduled workday, or who are absent from work on Saturday of their workweek when scheduled to work, shall be paid at time-and-one-half their regular rate of pay for all hours worked on Sunday.

- (3) Employees who work on each day of their regular workweek, Monday through Friday, who are not scheduled to work on Saturday and who are scheduled to work on Sunday shall be paid at double their regular rate of pay for all hours worked on Sunday.
 - (4) Employees who are scheduled to work on Sunday, but who are absent from work on two (2) or more scheduled workdays, including scheduled work on Saturday, shall be paid at straight-time for all hours worked on Sunday.
 - (5) Employees whose regular work schedule includes some working hours on Sunday shall be paid for such time worked on Sunday at double their regular rate of pay.
3. Pay for Employees on Regular Work Schedules Other Than Monday through Friday
- a. Employees whose regularly scheduled workweek includes Saturday shall be paid at the rate of time-and-one-half for all hours worked on Saturday, except as provided for in paragraph e. below.
 - b. Employees whose regularly scheduled workweek includes Sunday shall be paid at double their regular rate of pay for all hours worked on Sunday, except as provided for in paragraph e. below.
 - c. Employees who are required to work on their regularly scheduled day off shall be paid at the rate of time-and-one-half for all hours worked on that day, provided the employee has not been absent on one of his/her regularly scheduled days in that week. If the employee has been absent on one of their regularly scheduled days, he/she shall be paid at straight time.
 - d. For those specific operations where the Company and the Union have agreed to a workweek of four (4) days, employees shall be paid at the rate of time-and-one-half for all hours worked on the fifth day within a workweek, and double time for all hours worked on the sixth and seventh days within a workweek.
 - e. In the specific areas of Sheet Metal, Supplies, AMAT, Distribution (excluding the Emergency Order Area), the Company may establish a four by seven altered work schedule wherein Saturday and Sunday are not subject to automatic premium pay, unless they constitute the sixth and seventh work day.
 - f. It is intended that a four by seven shift configuration shall only be implemented when the areas identified in paragraph e. above are already working a fully loaded three by five shift configuration.
 - g. The Maintenance, Tool Room, Custodial/L-45, Inspection and Material Handling support groups, when providing direct support to the specific areas identified in paragraph e. above, may be required to work the same four by seven shift configuration.

4. Credit For Time Not Worked

- a. For purposes of calculating daily overtime pay, employees shall be credited for hours of absence, up to a maximum of eight (8) hours, for the following reasons: layoff, illness, occupational accident, jury service, death in the immediate family, one-half day pre-scheduled vacation, or appearance required by a subpoena. Employees shall be credited for up to eight (8) hours of absence for paid Worker's Compensation hearing(s) and/or medical treatment(s), provided the employee returns to work immediately following the hearing(s) and/or medical treatment(s).
- b. For purposes of calculating weekly overtime pay, employees shall be credited for hours of absence up to a maximum of eight (8) hours for any one (1) day for the following reasons: layoff, holiday, jury service, death in the immediate family, vacation, a partial day of absence due to illness, occupational accident for only the day on which it occurred, appearance required by a subpoena, or inability to report to work when it can be verified that roads have been closed due to snow by the appropriate authorities. Employees shall be credited for up to four (4) hours of absence for paid Worker's Compensation hearing(s) and/or medical treatment(s).

5. Pyramiding

- a. There shall be no pyramiding of overtime and premium pay.

6. Exception

- a. Whenever it becomes desirable to change work schedules temporarily for the convenience of the employees, the Company and the Union may mutually agree to establish a modified work schedule and the appropriate premium pay, if any.

C. OVERTIME DISTRIBUTION

1. The Company shall notify the duly authorized Shop Representative of scheduled overtime and shall attempt, in a timely manner, to notify the duly authorized Shop Representative of unscheduled overtime.
2. Consistent with the terms of the specific Supplemental Agreements regarding overtime distribution, the Company shall distribute overtime as equally as is practicable among employees of the same job classification within the appropriate overtime work group. The duly authorized Shop Representative shall receive copies of the current overtime distribution records on a regular, monthly basis. The duly authorized Shop Representative shall review the records and call significant deviations in overtime distribution to the attention of the Company at the earliest possible time so that corrective steps can be taken to re-establish the balance of overtime.
3. Prohibitions to Scheduling Overtime
 - a. There shall be no overtime worked within a job classification in a department from which people have been laid off because of reduced need for production, except in cases of emergency, or for temporary periods not in excess of four (4) successive weeks.

- b. Overtime shall not be scheduled in a work assignment in any job classification from which employees have been either surplusd or cutback, unless the overtime is necessitated by:

- (1) Other agreements with the Union.
- (2) Absenteeism.
- (3) Phase-up or phase-down of production levels.
- (4) Emergencies.
- (5) Make up for work not produced during the normal workday.

(The scheduling of overtime shall apply only during the first five (5) weeks following the date of the cutback and/or surplus. The appropriate Shop Representative shall be notified of the reasons to work overtime.)

D. OVERTIME SCHEDULING FOR SECOND SHIFT

1. When it becomes necessary for the Company to schedule workweeks of forty-eight (48) to fifty (50) hours, consistent with its operating needs, the Company shall schedule employees of the second shift to work ten (10) hours per day for four (4) or five (5) days of the normal workweek in order to relieve them of the obligation to work on Saturday. This privilege may be extended to employees on other shifts, provided no additional shift differential is incurred by the Company.

E. CANCELLATION OF SCHEDULED OVERTIME

1. In the event that the Company must cancel the daily scheduled overtime of employees, it shall notify them of such cancellation at least one (1) hour prior to the end of their regular shift. Said requirement is waived in the event the scheduling and subsequent cancellation of overtime are due to anticipated absenteeism of other employees who then report for work. This provision shall not apply if the cancellation of scheduled daily overtime is due to power failures or similar emergency situations. The Company is not obligated to apply the provisions of this paragraph to employees of the Service and Maintenance Seniority Unit.

F. SHIFT ROTATION

1. Where multiple shift operations are scheduled by the Company, all employees affected thereby shall be required to work rotating shifts. Employees may agree, among themselves, to establish fixed shifts, provided such arrangements include all employees affected and are approved in advance by appropriate supervision. Said arrangements shall continue as long as the employees are in agreement and remain in the work assignments which they held at the time the agreement was reached. Should work assignments change, or disagreement between the employees occur, rotating shifts shall be re-established. Approval shall not be withheld nor shall continuation of fixed shift agreements be discontinued by supervision for disciplinary reasons.

G. FIXED SHIFTS

1. Supplemental Agreement A, XVII, providing for fixed shifts shall be expanded to include all units not presently in a fixed shift configuration, including Offset Printing and any isolated areas of operation, pursuant to the following terms and conditions:
 - a. No bargaining unit employee shall be forced to work a fixed shift configuration.
 - b. All employees shall have the same rights as if no fixed shift existed except that, when a fixed shift opening in either the "M" or "DD" Seniority Units can be filled by a lateral volunteer, that or those volunteers will be considered first, before offering the position to another employee who would take the position as a rotation.
 - c. All new hires could be hired to a fixed shift and they would remain on a fixed shift until such time as their seniority allows movement to a different shift through the normal promotion and transfer process. Thereafter, said new hires shall not be involuntarily placed on fixed shift.
 - d. Employees currently working on a voluntary, fixed shift shall remain on said shift, pursuant to and consistent with the terms of Supplemental Agreement A. Any future voluntary, fixed shift configuration shall commence upon termination of the fixed shift currently in effect and shall be filled by the most senior, qualified, volunteer in the "M" seniority unit.
 - e. Employees who volunteer for a fixed shift shall remain on a fixed shift for a minimum of twelve months, with the understanding that said employees shall move at the next major move plan or within fifteen months, whichever occurs first, and they shall be afforded their involuntary, within movement rights. Prior to the end of twelve months, the Company shall canvass the employees regarding whether they desire to remain on fixed shift for another twelve month period or exercise their right to movement. The Company shall work with the Shop Representative regarding canvassing and recanvassing of voluntary, fixed shift employees. The Company shall excess and surplus employees by shift.
 - f. A voluntary, fixed shift configuration shall be phased in at such time as the Company adds new lines in the Machine Assembly Operations. In Non-Machine Assembly Operations, the Company, together with the Shop Representative, shall mutually develop job postings and they shall be posted accordingly.
 - g. Prior to a move plan, the Company shall provide additional information regarding straight days, fixed second shift, fixed third shift and overtime on the informational posting in "M" & "DD" Seniority Units.
 - h. Employees who volunteer for a fixed shift configuration, but are eligible for a promotion, shall receive a paper move promotion, with the understanding that said employee shall not move prior to the next major move for which he/she is eligible or prior to fifteen months, whichever occurs first. Said employee shall receive that amount of pay he/she would have received as a result of the promotion and upon completion of their mandatory term on fixed shift, said employee shall have the choice of receiving either their promotion or reassignment to an additional fixed shift term.

- i. The "S" Seniority Unit shall be excluded from a paper move promotion and the posting system currently in use shall remain in effect for this unit.
- j. The "S" Seniority Unit employees, who elect to move from a fixed shift after working a minimum of twelve months, shall maintain their normal transfer rights.
- k. Work areas that include fixed shift assignments will staff the day shift to a level at least equal to or greater than any other of the non-day shifts. Any reduction in personnel shall first be made from the second and third shift, before a straight day employee is affected.
- l. All existing and/or modified overtime agreements shall remain in effect.
- m. Upon completion of a fixed shift term, SDU employees shall have the same promotion and transfer rights as those employees in "M" Seniority Unit.
- n. It is agreed that the above shall not constitute an intent on the part of the Company to establish a fixed, second or third configuration in lieu of a straight day configuration.

H. SHIFT DIFFERENTIAL REGARDING FIXED SECOND AND FIXED THIRD SHIFTS

- 1. A shift differential in the amount of \$1.00 shall be paid to all employees who work a fixed second shift and a shift differential in the amount of \$1.25 shall be paid to all employees who work a fixed third shift.

I. CHANGES OF SCHEDULED WORK HOURS

- 1. Two (2) weeks in advance of any planned changes of scheduled hours of work, the Company shall discuss such changes with the Union and shall post notices of the intended schedule on the appropriate bulletin boards not later than one (1) workday after such discussion. In the event of disagreement, grievances shall be directed immediately to the second step of the grievance procedure.

J. STAGGERING OF SHIFTS

- 1. In the event that the Company staggers its work shifts, the employees affected shall be paid the shift differential, if any, of the shift on which they are regularly scheduled and shall not receive additional shift differential or premium pay if the staggered work shift should overlap another shift, or extend into Saturday, Sunday, or a holiday.
- 2. The staggered shift shall not extend by more than one-half (1/2) hour into the preceding or next following shift, or into a premium day, without obligating the Company to pay the shift differential or premium pay as otherwise provided for in this Agreement.
- 3. These provisions shall not apply to employees in the Building Custodial Services Seniority Unit.
- 4. The procedures provided in Paragraph F. of this Article shall apply with respect to planned staggering of work shifts.

K. REPORT FOR WORK PAY

1. In any case where the Company fails to make a reasonable effort to notify employees not to report for work, as scheduled, employees who so report for work shall receive four (4) hours pay at their straight-time hourly rate, as defined in Article V., F., 11. (or the applicable premium rate), or their regular pay for the hours worked, whichever is greater, provided, however, that this guarantee shall not apply in the case of breakdown, fires, catastrophes, or other causes beyond the control of the Company. The Company shall be considered as having made a reasonable effort to notify employees not to report for work if a notice is posted on the bulletin board prior to the expiration of the employee's shift, or if the employees are contacted personally, or if an attempt is made to call the employees by telephone, and if not reached, telegrams are sent to the telephone numbers or addresses last recorded with the Company, providing such an attempt or transmission is made at least four (4) hours before the employees are scheduled to report for work.

L. CALL IN PAY

1. Employees who are called in on a weekday (Monday-Friday), outside of their regular schedule, to work hours not continuous with their regular shift, shall be paid either a minimum of four (4) hours at their straight-time hourly rate, or time-and-one-half their straight-time hourly rate for hours actually worked, whichever is greater. Employees who are called into work on Saturday shall be paid a minimum of four (4) hours at time-and-one-half their straight-time hourly rate. Employees who are called into work on Sunday or a holiday shall be paid a minimum of four (4) hours at double their straight-time hourly rate.
2. Employees of the Service and Maintenance Seniority Unit who are called in for emergency repair work, outside of their regular schedule, to work hours not continuous with their regular shift, shall be paid as follows for work on the days indicated:
 - a. Monday through Saturday - A minimum of four (4) hours at their straight-time hourly rate, or time-and-one-half their straight-time hourly rate, for all hours actually worked, whichever is greater.
 - b. Sunday - A minimum of four (4) hours at their straight-time hourly rate, or double their straight-time hourly rate, for all hours actually worked, whichever is greater.

M. SCHEDULED RELIEF PERIODS

1. Employees shall be granted a ten (10) minute break twice during each regularly scheduled shift. One (1) break shall be observed approximately halfway through the first four (4) hour work period; the other approximately halfway through the second four (4) hour work period. In the event employees are expected to work at least one (1) hour beyond their regular schedules, they shall be granted a ten (10) minute break before beginning their overtime work. Thereafter, such employees shall be granted breaks on the same basis as employees on a regularly scheduled shift.

N. PAID LUNCH

1. Whenever shift operations regularly include a paid lunch period, employees assigned to such operations on a Saturday, Sunday, or holiday shall be provided with a paid lunch period if they work a full eight (8) hour shift.

ARTICLE V.

WAGE DETERMINATION AND PAYMENT

A. JOB CLASSIFICATIONS

1. All job classifications of employees covered by this Agreement are assigned to labor grades as set forth in Schedule A., attached to this Agreement and made a part hereof.
2. In the event of the creation of new job classifications covered by this Agreement, or changes in existing job classifications, the assignment of such jobs into proper labor grades shall be in accordance with the direction of the newly established Job Slotting Committee which shall be comprised of the Union Business Agent, the Business Agent's designee, the Manager of Industrial Relations and an Operation's Manager.

B. WAGES

1. YEAR ONE (03/18/02 – 03/16/03)

- a. Upon contract ratification, the Company shall retroactively fold the accumulated Cost of Living Allowance into the base rates, to create adjusted base rates. The Company shall then apply a 4% general wage increase to the adjusted base rates, to create revised rates. Additionally, the Company shall process 1.5% lump sum payments for each active employee.
- b. For the purpose of determining the Lump Sum payment, employees that worked the entire year in 2001 shall be credited with 2080 straight-time hours. All hours worked in excess of 2080 will be multiplied by the appropriate overtime rate (one and one-half or two times, whichever is applicable). The total hours will then be multiplied by the employee's hourly base rate as of March 18, 2002, times 1.5%.

Employees that did not work a full year in 2001 (new employees or employees who were absent due to insured disability), shall be credited with 2080 straight-time hours or the total of their straight time hours worked and overtime hours worked, whichever is greater.

Employees receiving Sickness and Accident benefits on March 18, 2002, who would otherwise be active employees on that date, shall become eligible to receive the 1.5% Lump Sum payment if and when they return to work prior to March 16, 2003.

- c. Additionally, effective the date of ratification, the Company will grant 100 Xerox Stock Options to every active bargaining unit employee. The Option Price will be established as the average high/low market price of Xerox common stock on that date. Such Options will vest 100% on January 1, 2003 for all active employees. Such Options will have an exercise period of ten (10) years, to expire on December 31, 2011. Vested Options will continue to be exercisable for eligible retirees (who retire on or after 1/1/03), for the full 10 year term. Terminees with vested Options have 90 days from the date of termination, in which to exercise these Options. Terminees, whether voluntary or not, prior to January 1, 2003, forfeit these Options.

2. YEAR TWO (03/17/03 – 03/14/04)

All bargaining unit employees shall receive a 3.0% General Wage Increase on their hourly base rate of pay as of March 17, 2003.

3. YEAR THREE (03/15/04 – 03/13/05)

All bargaining unit employees shall receive a 3.0% General Wage Increase on their hourly base rate of pay as of March 15, 2004.

4. All employees shall receive Cost-of-Living-Allowance (COLA) pursuant to the provisions of Article V., Section F. for the term of the contract.
5. Hourly base rates during the term of this Agreement are set forth in Schedule B. Employees *shall receive the hourly base rate of pay for the labor grade of the job classification to which they are assigned.*

a. Entry Level Wage Rates

An Entry Level Wage Rate shall be established for the Entry Level job classification as shown in Schedule B-2, and will not apply to employees either active or on layoff status on the date of ratification.

b. Wage Rate for L-11 Cleaner Classification

The wage rate for the L-11 Cleaner classification is indicated in Schedule B-1. This rate shall not apply to active employees or those on layoff on the date of ratification. Such employees assigned to the L-11 Cleaner classification, if not maintained or red circled, shall be paid at labor grade 3.

6. The Skilled Trades Rate Range System

- a. Employees hired directly into Skilled Trades classifications shall be placed in a two (2) year step rate system. The Entry Skilled Trades Rate will be 85% of the appropriate base rate. After 12 months the Skilled Trades Rate will be adjusted to 95% of the appropriate base rate. After 24 months the Skilled Trades Rate will be adjusted to 100% of the appropriate base rate.
- b. Employees directly hired into B level Skilled Trades classifications, who promote to A level during their first three (3) years, shall have their rate concurrently adjusted to 100% of the appropriate A rate.

7. Red Circle Rates

- a. Red Circle rates are those rates paid to designated employees which are greater than the rates (hourly base rates plus COLA) established for the job classifications to which those employees are permanently assigned. Such red circle rates are distinguished from maintained rates as provided for in C., below, of this Article.
- b. Employees who are paid red circle rates shall receive general wage increases associated with this contract.
- c. Employees who are paid red circle rates, shall receive COLA adjustments as calculated based on the job classification to which they are permanently assigned.
- d. Discontinuance of Red Circle Rate
 - (1) Employees who are paid red circle rates, and who are promoted to a job classification, the rate (hourly base rate plus COLA) of which exceeds their red circle rate, shall have their red circle rates discontinued. They shall be paid the hourly base rate plus COLA of the job classification to which they are promoted.
 - (2) In the event that employees are promoted, as described in d., 1, above, and are subsequently downgraded within one (1) year to the job classification from which they had promoted, they shall be paid at their former red circle rate. However, employees who are so downgraded after one (1) year shall be paid at the rate appropriate to the job classification to which they are downgraded. In either event, the appropriate rate shall become payable following completion of the applicable maintenance of rate period provided for in C., below, of this Article.

C. RATE MAINTENANCE

1. Whenever employees are temporarily transferred to job classifications in labor grades higher than those of their permanent assignments, they shall receive maintenance of rate for thirty (30) days following the completion of such temporary assignments if the duration of such assignments equals or exceeds:
 - a. Four (4) hours or more on each of five (5) consecutive workdays in cases of emergency, or where conditions temporarily require it, or
 - b. Four (4) full and continuous weeks of fill-in because of illness, vacation, or leave-of-absence.
2. Except as provided in 3., below, employees who are involuntarily transferred to a job classification in a lower labor grade shall receive, during the first one hundred eighty (180) days thereafter, the hourly base rate that they had been receiving prior to such transfer. At the end of one hundred eighty (180) days after transfer, they shall thereafter receive the hourly base rate appropriate to the job classification to which they have been transferred.

3. Employees who are involuntarily transferred to a job classification in a lower labor grade shall receive, during the first year thereafter, the hourly base rate that they had been receiving prior to such transfer, if they had at the time of transfer both an accumulated two (2) years of permanent assignment in the job classification from which they were transferred and, fifteen (15) years of Company seniority. At the end of one (1) year after transfer, they shall thereafter receive the hourly base rate appropriate to the job classification to which they have been transferred.
4. Whenever employees are temporarily retransferred to job classifications from which they have been cut back and for which they are receiving maintained rates, as provided in Article V., C., 2., and 3., above, they shall be entitled to the continuation of their maintained rates for an additional thirty (30) days following the completion of such temporary assignments, if the duration of these assignments equals or exceeds:
 - a. Four (4) hours or more on each of five (5) consecutive workdays in case of emergency, or where conditions temporarily require it, or
 - b. Four (4) full and continuous weeks for purposes of fill-in because of illness, or vacation, or leave-of-absence.
5. Employees who are being paid maintained rates as provided for in C., 1. through C., 4. of this Article shall receive COLA in the amount payable to the job classification to which they are permanently assigned.

D. SHIFT DIFFERENTIAL REGARDING ROTATIONAL SHIFTS

1. Employees working on a regularly established second shift shall receive, in addition to their regular hourly earnings, sixty (60) cents per hour for all time worked on such shift; and employees working on a regularly established third shift shall receive, in addition to their regular hourly earnings, eighty (80) cents per hour for all time worked on such shift. The shift differential shall be added to the employee's hourly base rate for purposes of calculating overtime premium pay.
2. When employees who are assigned to the first shift of a multiple shift schedule work overtime into hours of the second shift for less than four (4) hours, they shall not be paid the second shift differential for the time worked on the second shift. However, when such employees work into the second shift for four (4) hours or more, they shall be paid the straight-time second shift differential for all hours worked on the second shift. When employees who are assigned to the second shift of a multiple shift schedule work overtime, the second shift differential shall be included in their regular rate of pay for purposes of overtime calculation. When employees who are assigned to the third shift of a multiple shift schedule work overtime, the third shift differential shall be included in their regular rate of pay for purposes of overtime calculation.

3. Employees assigned to day-work classifications (those job classifications not on multiple shifts) shall receive no shift differentials, except that when such employees are called in prior to 7:00 a.m., they shall receive the third shift premium up to 7:00 a.m. No shift premium shall be paid to employees assigned to a day-work classification if they work their regular work day and then continue to work beyond their regular work day. If employees on a day-work classification have completed their day of work without being notified of overtime and have left the plant after their regular tour of duty, and are then called back because of an emergency, they shall receive the shift differential applicable to those hours.

E. SHIFT DIFFERENTIAL REGARDING FIXED SECOND AND FIXED THIRD SHIFTS

1. A shift differential in the amount of \$1.00 shall be paid to all employees who work a fixed second shift and a shift differential in the amount of \$1.25 shall be paid to all employees who work a fixed third shift.

F. COST-OF-LIVING ALLOWANCE (COLA)

1. Effective on March 18, 2002, and thereafter for the duration of the term of this Agreement, employees shall be covered by the COLA provisions set forth in this section.
2. The amount of the COLA shall be determined on the basis of the Consumer Price Index for All Urban Consumers, U.S. CITY AVERAGE, All Items, 1967 = 100, published monthly by the Bureau of Labor Statistics, U.S. Department of Labor, and referred to as the CPI-U. COLA payments shall be determined by using January 2002 as a Base Index Number.
3. For the period from March 18, 2002, through March 13, 2005, the COLA for employees assigned to job classifications in Labor Grades 18 through 30 shall be calculated on the basis of one (1) cent for each 0.3 point change in the CPI-U and the CPI-U for the months indicated in Column 1 below:

Contract Year 1:
(03/18/02 – 03/16/03)

Column 1

CPI-U for the Month Of:

April, 2002
July, 2002
October, 2002
January, 2003

Column 2

Effective Dates For
Adjustment in COLA

June 11, 2002
September 16, 2002
December 16, 2002
March 17, 2003

Contract Year 2:
(03/17/03 – 03/14/04)

Column 1

Of CPI-U for the Month:

April, 2003
July, 2003
October, 2003
January, 2004

Column 2

Effective Dates For
Adjustment in COLA

June 16, 2003
September 15, 2003
December 15, 2003
March 15, 2004

Contract Year 3:
(03/15/04 – 03/13/05)

Column 1

CPI-U for the Month Of:

May, 2004
September, 2004
January, 2005

Column 2

Effective Dates For
Adjustment in COLA

July 19, 2004
November 15, 2004
March 13, 2005

4. COLA for job classifications in Labor Grades 1 through 17 shall be determined as follows:
 - a. The cents-per-hour COLA, as determined in F., 3. above, shall be expressed as a percentage of the currently effective hourly base rate of Labor Grade 18, rounded to the nearest 0.1%.
 - b. The currently effective hourly base rate for each job classification in Labor Grades 1 through 17 shall be multiplied by the percentage derived in F., 4., a., above, rounded to the nearest one cent (\$0.01), in order to determine the COLA for each job classification.
5. COLA for all Apprentices and the Temporary work force employees shall be determined by multiplying their currently effective hourly base rate by the percentage derived in F., 4., a., above, rounded to the nearest one cent (\$0.01).
6. Adjustments in the COLA shall be effective commencing on the dates indicated in Column 2 of F., 3., above.
7. The COLA may increase, decrease, or remain unchanged in response to changes in the CPI-U.

8. COLA payments in any one (1) contract year shall be capped for each Labor Grade (1 - 30) at 6% of the sum of the currently effective hourly base rate of such job classification and its accumulated COLA through the end of the immediately preceding contract year.
9. No COLA shall be included in hourly base rates, as set forth in Schedule B, nor shall any adjustments in any COLA provide the basis for any change in hourly base rates.
10. COLA payments for the entry step rate and intermediate step rates, shall be adjusted so as to be of the same percentage as those rates are to the maximum step rate.
11. The straight-time hourly rate for purposes of calculating any pay premiums or benefits which are based on earnings, shall consist of an employee's hourly base rate plus that employee's current COLA.
12. No adjustments in COLA shall be made retroactively, or on dates not listed in Column 2 of F., 3., above, even though interim revisions of the CPI-U, due to corrections, might be published from time to time.
13. The continuance of COLA is dependent upon the availability of the CPI-U in its present form. If the Bureau of Labor Statistics changes the form or the basis of calculating the CPI-U, the Company and the Union agree to request the Bureau of Labor Statistics to make available, for the life of this Agreement, a monthly CPI-U in its present form and calculated on the same basis as the CPI-U. In the event that the Bureau of Labor Statistics cannot satisfy this request, the Company and the Union shall meet to attempt to reach accord on a suitable alternative without affecting the obligations of the parties as specified in Article III, of this Agreement.

ARTICLE VI.

SENIORITY

A. SENIORITY UNITS

1. For purposes of promotion, transfer, cutback, layoff, and recall, the Seniority Units are:
 - a. Manufacturing
 - b. Supplies Delivery Unit, including the Toner plant.
 - c. Service and Maintenance.
 - d. Building Custodial Services.
 - e. Xerox Offset Operations.
 - f. Distribution
 - g. IIDU (Input Imaging Delivery Unit)

B. COMPANY SENIORITY

1. Length of continuous employment from the most recent date of an employee's hire into the Bargaining Unit covered by this Agreement shall be the basis of Company seniority. Seniority shall be considered as being continuous so long as an employee remains actively in the employ of the Company and in this Bargaining Unit. Absences due to illness, leaves-of-absence of specified duration as mutually agreed upon, or layoff due to lack of work of less than two (2) years' duration, shall not constitute interruptions in the accumulation of seniority. Employees who leave the Company's employment voluntarily, or are discharged, or laid off in excess of two (2) years, or fail to return by the expiration of an approved leave-of-absence (except in cases reported prior to the expiration of the leave, of verifiable illness, disability, or other circumstances customarily accepted by the Company), or fail to return to work after recall in accordance with the terms and provisions of this Agreement, shall lose all seniority.

2. Determination of relative seniority shall be as follows:

- a. In any circumstance where Company seniority is a selection criterion, and where two (2) or more employees have the same hire date, their relative seniority shall be established on the basis of the first letter of their last names at date of hire in accordance with the following table:

A-5	H-4	O-18	U-20
B-1	I-11	P-12	V-25
C-2	J-21	Q-13	W-9
D-17	K-26	R-10	X-15
E-19	L-22	S-6	Y-8
F-24	M-3	T-23	Z-16
G-7	N-14		

The employee with the lowest rank number shall be regarded as having greatest Company seniority.

- b. In cases where employees have last names which begin with the same letter of the alphabet, the next letters of their last names which are different shall determine the rank among them.
- c. If two (2) employees have identical last names, their first names shall be used in lieu of their last names.
- d. The Company seniority master roster of all Bargaining Unit employees shall be constructed by applying the procedures described in this section.
3. Except as otherwise provided in this Agreement, and subject to the terms of Supplemental Agreements A through F and K, all transfers within and between seniority units shall be determined on the basis of Company seniority of the employees affected.

C. PROMOTIONS, TRANSFERS, CUTBACKS, AND DOWNGRADES

1. Promotions, transfers, cutbacks, and downgrades shall be handled in each seniority unit in accordance with the provisions of the applicable Supplemental Agreement in the list below:
- a. Manufacturing Seniority Unit - Supplemental Agreement A.
- b. Supplies Delivery Unit - Supplemental Agreement B.
- c. Service and Maintenance Seniority Unit - Supplemental Agreement C.
- d. Building Custodial Services Seniority Unit - Supplemental Agreement D.
- e. Distribution Seniority Unit - Supplemental Agreement E.
- f. Offset Seniority Unit - Supplemental Agreement K.

2. The Company shall not postpone action on promotions or transfers mutually agreed upon for more than one (1) week without good and sufficient reason. However, when promotions or transfers to higher paid jobs are mutually agreed upon, but are postponed by the Company, the following procedures shall govern from the date that less senior employees are assigned to such jobs:

- a. The more senior employees whose promotions or transfers have been delayed by the Company shall be compensated at the applicable higher wage rates while working at their lower paid jobs.
- b. Those employees whose seniority is lower than that of those employees whose promotions or transfers have been delayed by the Company, but who enjoy seniority higher than that of those employees who had been promoted or transferred, shall not be entitled to claim compensation at the higher wage rates of the jobs involved in such promotions or transfers.

3. Senior Employee Program

a. Special rights shall be afforded to employees who have reached at least the age of fifty-five (55) and who have at least fifteen (15) years of service with the Company, or employees who have reached at least the age of fifty (50) and who have at least twenty (20) years of service with the Company. Provided they meet qualifications for the job classification and are able to perform all the work of that job classification, free from any physical restrictions or limitations, they may elect to exercise their greater Company seniority to:

- (1) Downgrade voluntarily within their own seniority unit to fill a vacancy in job classifications in Labor Grades 9 or below, or in Labor Grades 10 or above, provided that in moves to Labor Grades 10 or above, they have greater Company seniority than all incumbents of the job classification to which they seek assignment.
- (2) Transfer across seniority units to fill a vacancy in those entry job classifications in (3), below.

(3)

Manufacturing

E-1 Entry Level

Supplies Delivery

D-61 Materials Handler

Service and Maintenance

L-29 Groundskeeper

- b. Employees who elect to downgrade voluntarily under the terms of 3., a., above, shall receive a rate equal to the average of their rate paid on the job classification from which they transferred and the base rate of the job classification to which they transfer.
- c. Employees shall be ineligible to exercise their rights, as provided in 3., a., above, in conjunction with the announcement and/or implementation of involuntary downgrades.
- d. Employees who exercise their rights to transfer under the terms of 3., a., above shall be ineligible for any future promotions or transfers. However, in the event the shift status of the job to which the employees had downgraded voluntarily changes from straight-day to rotating, then the employees may exercise their greater Company seniority to displace the junior employees within that job classification who remain on straight-days. If all job assignments within the job classification to which the employees had downgraded voluntarily are placed on a rotating shift basis, then the employees may once again exercise the rights provided for in 3., a., above.
- e. When employees who have exercised their rights, as provided in 3., a., above, are subsequently displaced from their job assignment due to its elimination, they shall be reassigned according to the following sequence of steps:
 - (1) Step 1: They shall first exercise their greater Company seniority to bump the junior employee who is on a straight-day assignment, in the same job classification in the same seniority unit, and in the same geographical location.
 - (2) Step 2: If they cannot be assigned in Step 1., above, they shall exercise their greater Company seniority to bump the junior employee who is on a straight-day assignment in the same job classification in the same seniority unit in any geographical location.
 - (3) Step 3: If they cannot be reassigned in Step 2, above, they shall, subject to the limitations provided in 3., a., above, exercise their greater Company seniority to bump the junior employee who is on a straight-day assignment in any job classification in the same seniority unit.
 - (4) Step 4: If they cannot be reassigned in Step 3., above, they shall, subject to the limitations provided in 3., a., above, fill a straight-day vacancy in any job classification in the same seniority unit.
 - (5) Step 5: If they cannot be reassigned in Step 4, above, they shall, subject to the limitations provided in 3., a., above, fill a straight-day vacancy in any job classification in any seniority unit.
 - (6) Step 6: If they cannot be reassigned in Step 5, above, they shall relinquish their rights as provided in 3., a., above, and shall be reassigned in accordance with the provisions of the appropriate Supplemental Agreement dealing with promotions, transfers, cutbacks, and downgrades.

- f. When employees have been involuntarily transferred in accordance with the provisions of 3., e., (6), Step 6., above, they shall be afforded another opportunity to exercise their rights, as provided in 3., a., above, when appropriate openings exist.

D. TEMPORARY TRANSFERS

1. In case of emergency, or where conditions temporarily require it, employees may be temporarily transferred between shifts, departments, and jobs. In the selection of employees for temporary transfer, the Company shall consider seniority, operating needs, qualifications, availability, and training requirements of employees to be so transferred. Such temporary transfers shall not give the employees so assigned the right to claim the positions on a permanent basis.
2. Temporary transfers shall not be made if the duration of such need for transfer(s) is anticipated to exceed three (3) months, except by mutual agreement or as may be otherwise specifically provided in this agreement, or in any Supplemental Agreements attached hereto and made a part hereof.
3. a. Supervisors will notify the appropriate Shop Representative of each temporary transfer as defined in 1., above. An effort will be made to notify the Shop Representative in advance where practicable. Such notification can be by phone message, e-mail, and/or personal contact.
b. When the Company anticipates that a temporary transfer will be made for a duration of one (1) week or more for the purpose of meeting special production needs, the Company shall notify the Union prior to making such transfer. In the event that the Union, through the Shop Representative, is not notified prior to such transfers, the Company shall be obligated to train the senior volunteer immediately and assign that employee to the temporary job.

E. LAYOFF

1. Contrary to the provisions of any Promotion and Transfer Supplemental Agreement, Company seniority shall prevail across seniority units for the purpose of layoffs, except in those instances specifically cited below.
2. When it becomes necessary for the Company to lay off employees in the Manufacturing, Supplies Delivery Unit, Distribution, Service and Maintenance, and Building Custodial Services Seniority Units, it shall effectuate the layoffs through the following sequence:
 - a. The Company shall determine the total number of jobs to be eliminated in each of the seniority units affected and shall thereby determine the total number of employees to be laid off from the Bargaining Unit.
 - b. The Company shall then identify on a roster all employees in these seniority units in the order of their Company seniority.

c. The following employees shall be excluded from the roster:

(1) All employees in the following job categories:

(a) In the Manufacturing Seniority Unit, all job classifications:

((1)) With "W" lettered job codes.

((2)) Of the Tool and Die Maker Apprenticeship Program.

((3)) Of the Model Maker and Experimental Mechanic Apprenticeship Program.

(b) In the Service and Maintenance Seniority Unit, all job classifications:

((1)) With "L" lettered job codes which are identified as Skilled Trades in Article IX. of this Agreement.

((2)) Of all Maintenance Apprenticeship Programs.

(2) All employees in the Manufacturing, Service and Maintenance, and Supplies Delivery Seniority Units in job classifications of Labor Grades 12 or higher for whom replacements are not available because such replacements:

(a) Do not have greater Company seniority than the employees to be replaced, and

(b) Have not actually been previously assigned permanently to the classification concerned, and

(c) Are assigned to any job classification below Labor Grade 12 by virtue of having exercised their rights as provided in C., 3., of this Article.

d. Notwithstanding the provision in E., 2., c., (2), (b) of this Article, employees who have been designated to be laid off shall have the right, only immediately before layoff, to bump into any job classification of Labor Grades 12 and above, and if they:

(1) Seek to bump into a job classification in their own seniority unit or a seniority unit to which they were previously assigned.

(2) Meet the established qualifications for that job classification, and possess greater Company seniority than an incumbent of that job classification. In order to be considered under this provision, those employees who believe that they are eligible to exercise the rights described above shall, immediately prior to layoff, so notify the Manager of Hourly Manpower Resources.

Job qualifiers will be made available at a minimum of once per year.

In the application of this provision, the Company may retain the displaced employee for up to six (6) months for training purposes.

e. Layoffs shall be effected in accordance with the following provisions:

- (1) The roster, minus exclusions, shall be referred to as the adjusted roster and shall serve as the basis for effecting layoffs.
- (2) Employees on this adjusted roster shall be subject to involuntary layoff in the order of their lowest Company seniority until the number of such employees shall correspond to the number determined in E., 2., a., of this Article.
- (3) The number of employees subject to involuntary layoffs shall be reduced by the number of employees subject to voluntary layoffs as described in E., 2., e., (4), of this Article.
- (4) Employees in the entry job classifications of any seniority unit may commit themselves by filing a written request to go voluntarily in the order of their greater Company seniority to layoff status.

f. Vacancies created as a result of such layoffs shall be filled in the following sequence:

- (1) Within these seniority units, vacancies created as a result of layoffs shall be filled in accordance with the normal procedures established in the relevant Promotion and Transfer Supplemental Agreements, provided that such vacancies shall be filled only by employees who:
 - (a) Satisfy all prerequisite job qualifications.
 - (b) Are free from medical restrictions which would limit their ability to perform all of the job functions.
- (2) Between these seniority units, remaining vacancies shall be filled in the following order:
 - (a) Employees who have submitted written requests for voluntary transfers under Supplemental Agreement F, and have met all of its conditions, shall have the first opportunity to transfer to vacancies in seniority units other than their own.

- (b) Employees who remain surplus in their own seniority unit shall be assigned to vacancies in seniority units of their preference on the basis of their greater Company seniority provided they:
 - ((1)) Satisfy all prerequisite job qualifications, except as otherwise provided in E., 3., (below) of this Article.
 - ((2)) Are free from medical restrictions which would limit their ability to perform all of the job functions.
 - (c) Employees in surplus in (b) above, who do not possess sufficient seniority or qualifications to bump into any Seniority Unit other than the Building Custodial Seniority Unit, shall not be required to move to the L-11 Job Classification within that Seniority Unit and will have the right to, alternatively, move directly to layoff status.
- 3. Employees who remain surplus in the Building Custodial Services Seniority Unit shall have, in addition to the transfer rights described in E., 2., f., (2), (a) and (b) of this Article, the following specific transfer rights which they can exercise on the basis of their greater Company seniority, provided they are free from medical restrictions which would limit their ability to perform all of the job functions:
 - a. They can fill vacancies in the L-29 Groundskeeper Job Classification, if they can satisfy minimum test standards for oral directions.
 - b. They can fill vacancies in the E-1 Job Classification, if they can satisfy minimum test standards for oral directions, manual dexterity, and spatial perception.
- 4. When it becomes necessary for the Company to reduce the number of employees in the Offset Operations Seniority Unit, concurrent with a layoff condition, employees with the least Company seniority shall be displaced. Such displaced employees shall:
 - a. Be assigned to vacancies in other seniority units of their preference on the basis of their greater Company seniority, provided they:
 - (1) Satisfy all prerequisite job qualifications.
 - (2) Are free from medical restrictions which would limit their ability to perform all of the job functions.
 - b. Exercise their greater Company seniority to displace, without any preference, the most junior employees in the entry level classifications of all other seniority units. Resulting layoffs shall be effectuated in accordance with E., 2., of this Article.
 - c. Go directly to layoff if they do not have sufficient seniority to exercise their rights under E., 4., a. or b. of this Article.
- 5. Employees who refuse reassignment to job classifications to which their seniority entitles them shall be deemed to have voluntarily terminated their employment with the Company.

6. Employees who relocate from one seniority unit to another, under these provisions, shall retain their right to return to their original seniority unit, provided they accept transfer to an opening in their original seniority unit on the occasion of its first availability to them.
7. The Company shall make every practicable attempt to give employees to be laid off, other than for emergency reasons, one (1) full week's notice.

F. RELOCATION RIGHTS OF LAID OFF EMPLOYEES

Employees subject to involuntary layoff for an indefinite duration may indicate a desire at any time during their period of layoff to apply to fill a vacancy in a job classification within any UNITE Bargaining Unit of a Xerox facility. Such rights shall be limited to vacancies which would otherwise be filled by hiring from outside the Company and subject to the following terms:

1. The employee must notify the Company of preferred locations by use of a form to be provided at the time of notification of layoff.
2. The employee must meet the Company's established qualifications for the vacancy and must have maintained a satisfactory work record.
3. The Company shall utilize the procedures specified in Article VI., G., 3, to notify such employees on layoff of the existence of vacancies in the locations for which they had indicated preference.
4. Upon receipt of such notification:
 - a. Employees must notify the Company of their intention to accept or reject the vacancy offered and must do so not later than four (4) working days after such notice is sent.
 - b. Employees who reject an offer shall be ineligible for further consideration for any vacancy in any Bargaining Unit other than the one from which they were originally laid off.
 - c. Employees who accept an offer must report for work within ten (10) working days (only Monday through Friday shall constitute working days) from the date of accepting the assignment. Failure to report to work as specified herein shall result in forfeiture of any and all recall rights, including those specified in Article VI., G.
 - d. The Company shall review and consider circumstances which prevent employees from complying with the provisions of Article VI., F., 4., c., above.
5. Employees must assume all costs of relocation, inclusive of but not limited to such costs as personal and family transportation, movement of household effects, and closing costs.
6. Employees who relocate shall waive rights to recall to the Bargaining Unit from which they were originally laid off.

7. Vacancies in other facilities, as described above, shall be filled by hiring from the outside during any period when there are no candidates among laid off employees who had indicated preference for such vacancies.
8. Employees who report for work in the new location shall be paid the job rate for the classification to which they are assigned in the new location.
9. Employees who relocate shall retain Company seniority for the determination of benefits. However, for purposes of promotion, transfer, cutback, and layoff in the new location, employees shall accumulate Unit seniority as calculated from the date of reporting to work at the new location.

G. RECALL

1. The names of employees who have been laid off shall be placed on a Bargaining Unit-wide layoff register. Such employees shall be eligible for recall to any seniority unit on the basis of their greater Company seniority.
2.
 - a. An employee so recalled must accept an opening in any seniority unit, excluding the L-11 Job Classification in the Building Custodial Seniority Unit, on the occasion of its first availability to that employee, provided the employee is qualified for the job. Failure to accept such an opening shall result in forfeiture of all recall rights.
 - b. Employees recalled directly to the L-11 Job Classification in the Building Custodial Seniority Unit will have the choice of:
 - Accepting the recall to the L-11 position, or
 - Waive recall to the L-11 position and await recall to another job classification.

Employees who exercise the L-11 waiver indicated above, will retain all other recall rights.

3. Employees to be recalled after a layoff shall be notified as far in advance as possible by notice in writing sent by certified mail, return receipt requested, to the last address shown on the Company's records. (It shall be the obligation of all employees, whether on active or laid off status, to keep the Company informed of changes in their home address.) A copy of such notice shall be given to the Union. Employees who are called back to work from layoff must notify the Company of their intention to return to work not later than four (4) working days after such notice is sent, and they must actually report to work no later than the recall date set forth on the notice, which shall not be sooner than four (4) working days after the receipt of such notice, in order to be entitled to reemployment. Where necessary, a five (5) working day extension of the reporting date shall be allowed for an employee to give another employer notice of termination. Extensions of the reporting date shall also be granted for reasons of verifiable illness or injury.
4. Employees who are laid off and who have not been recalled for a period of two (2) years shall not be entitled to reemployment as provided in G., 1., above, of this Article.

H. ARMED SERVICES

1. Employees serving in the Armed Services shall have and retain such rights with respect to seniority, vacation, layoffs, and length of service increases as may be from time to time provided by applicable statutes of the United States and the State of New York.

I. RETURN FROM DISABILITY

1. Employees who return from disability shall be afforded the same promotional and/or other job opportunities for which they are qualified and for which they possess appropriate seniority as are currently provided in H., above, of this Article, for employees who return from military service.

J. TRANSFERS TO OTHER UNITS

1. Voluntary transfers between seniority units shall be made in accordance with the provisions of Supplemental Agreement F. Such transfers shall be effected within thirty (30) calendar days after the date on which the Company had declared, in writing, that an opening exists.

ARTICLE VII.

PRODUCTIVITY

A. STANDARDS OF PRODUCTIVITY

1. The employees covered by this Agreement shall perform a fair day's work for a fair day's pay and benefits. A fair day's work shall be defined as work done at a reasonable performance level during all working hours, less scheduled allowed non-working time.
2. The Company shall establish and maintain reasonable standards of work, which shall assure the achievement of optimum levels of productivity. The Company shall provide notification of a time/diary study to the employee and shop representative no later than the end of the previous day's shift, provided the employee and shop representative are present and working on that day.
3. If employees believe that such standards of work are excessive, they shall have the right to *challenge them through the grievance procedure.*

B. UTILIZATION OF PAID WORKING TIME

1. Employees shall be required to perform, as part of their assigned responsibilities, housekeeping, material handling, and minor maintenance and repair tasks. Production standards will be modified so as to provide necessary standard time for the performance of the duties described above which are performed on a regularly recurring basis during non-down time.
2. Whenever employees, because of operating circumstances, are unable to perform the assigned work duties of their regular job classifications during either straight-time or overtime hours of work, they may be assigned work in another job classification of an equal or lower labor grade. Such assignments shall be work which can be performed with minimal instruction and for which the employees have the required skills and/or previous experience.
3. Whenever, at the immediate start of a work shift, an operating condition exists which would cause some employees of a common work group to be idle, the Company shall *reassign the employees with the least seniority of that work group to other work*, provided that the remaining employees are immediately able to perform the regular work.
4. When idle time occurs during scheduled overtime hours, the Company shall attempt to reassign employees to work within their own job classifications and overtime work group before assigning them to other work.
5. The Company and the Union agree to continue current practices in order to utilize fully employees' productive time when they may otherwise be idle even during long machine cycle times. Such practices shall prevail to the maximum extent possible and practical, consistent with employees' ability to perform.

ARTICLE VIII.

BENEFITS

A. VACATION

1. Within any calendar year, employees shall be eligible for vacation as follows:
 - a. Employees who have completed six (6) months but less than one (1) year of employment shall receive three (3) days of vacation.
 - b. Employees who have completed one (1) year but less than five (5) years of employment shall receive two (2) weeks of vacation.
 - c. Employees who have completed five (5) years but less than ten (10) years of employment shall receive three (3) weeks of vacation.
 - d. Employees who have completed ten (10) years but less than twenty (20) years of employment shall receive four (4) weeks of vacation.
 - e. Employees who have completed twenty (20) years but less than twenty-five (25) years of employment shall receive five (5) weeks of vacation.
 - f. Employees who have completed twenty-five (25) or more years of employment shall receive six (6) weeks of vacation.
2. Employees shall not be eligible for more than one (1) vacation entitlement in any calendar year.
3. Vacation benefits earned in any calendar year shall be earned at a rate of 25% per quarter. This pro-ration only applies to retirees and employees who leave the Company.
4. Determination of vacation pay shall be as follows:
 - a. One week's vacation pay shall be the higher of the following calculations:
 1. Forty (40) hours of the employee's straight-time hourly rate, as defined in Article V., F., 11., for the period immediately preceding the time when the vacation is paid, or
 2. For 2002, 2% of the employee's 2001 gross earnings (excluding Profit Sharing, tuition aid, relocation allowances, Flexible Benefit Account monies, and recognition and suggestion system awards) during the preceding calendar year.
 3. For 2003, 1.9% of the employee's 2002 gross earnings which will include only salary, overtime including doubletime, vacation pay, COLA, holiday pay, personal choice holiday pay, shift premium, and any retro-active pay adjustments for or during the preceding calendar year.

4. For 2004, 1.8% of the employee's 2002 gross earnings which will include only salary, overtime including doubletime, vacation pay, COLA, holiday pay, personal choice holiday pay, shift premium, and any retro-active pay adjustments for or during the preceding calendar year.
 - b. Three (3) days vacation pay, as defined in Article VIII. A.,1.,a., shall be twenty-four (24) hours of the employee's straight-time hourly rate, as defined in Article V.,F.,11.
5. Scheduling of Vacations
- a. The vacation year shall be January 1 through December 31.
 - b. Two (2) weeks of the vacation shutdown period shall ordinarily be the last week in July and the first week in August. In any week when July 25 falls on Wednesday or earlier, that week shall be considered as the first week of vacation shutdown.
 1. Except as otherwise provided in this Article, all affected employees shall be scheduled to take vacation during the vacation shutdown periods.
 2. Where the Company deems it necessary to continue any operation during a vacation shutdown period, the Company shall so notify the affected employees no later than December 15 of the preceding calendar year.
 3. When the business of the Company is shut down for vacation, the Company shall be under no obligation to provide work for employees who are entitled to no vacation or whose vacation is exhausted prior to the end of the shutdown period. Such employees shall be considered to be on layoff status during the period involved.
 - c. Vacations may not necessarily involve one full and continuous period, but may be scheduled in more than one period. At the discretion of management, employees may schedule vacations to begin on any day of the week. The decision of management shall be justified on the basis of operational needs.
 - d. Vacations for employees, which are not taken in full during the vacation shutdown period, may be scheduled by the Company in increments of one (1) week at any time during the vacation year.

- e. Employees with two (2) or more weeks of vacation may designate one (1) week of vacation to be used in single days. Such single days may be used for any of the following reasons: (1) call-in basis for illness or emergency; (2) pre-scheduled personal time off; (3) pre-scheduled one-half days. All call-in vacation days, used for illness or emergency, shall be verified in order to be approved by the Company. Verification shall be in writing and consists of items such as a doctor's excuse or validation from the doctor that the employee was sick and could not get a doctor's appointment, emergency repair receipts for problems involving the employee's car or house and family emergencies including illness of a child and/or child care or elder care issues. Prior Company approval shall be required for the scheduling for both pre-scheduled personal time off and pre-scheduled one-half days.

Such prior supervisory approval shall be denied, if at the time of the request, the absence of the employee(s) requesting the personal time off would interfere with the ability to achieve production schedules.

- f. With regard to the verification requirements indicated in "e." above, during the first year of this contract the requirement to provide verification for Call In Vacation days is waived for two (2) CV day events per employee, with the following understandings.
1. It is understood that all CV days are to be used exclusively for the purpose of absences resulting from personal illness or emergency.
 2. The exception to the verification rule described herein will not apply to CV days taken the work shift immediately preceding or following a holiday and/or a vacation period, or anytime within the first two (2) workweeks immediately following implementation of a major manufacturing job move.
 3. Concurrent with the first anniversary of this contract term, a review will be conducted by the Vice Presidents of manufacturing and distribution operations to determine if, during the first year of the contract, the actual CV day usage under this provision caused significant negative impact to operational effectiveness. Based on their evaluation a decision will be made that will either maintain, increase, decrease or eliminate, the exclusion of the two (2) CV days from the verification requirement. The Union Business Agent will be invited to participate in this review and her/his input will be considered prior to a decision being communicated.
 4. To the extent some number of CV days remain excluded from verification, similar reviews will be scheduled on each successive anniversary of this contract.

- g. *Effective June 3, 2002, employees will be able to utilize one (1) of their single vacation day allocations, in hourly increments pursuant to the following limitations.*
1. *The minimum usage of this entitlement will be two (2) hour increments per day, however this entitlement may be taken in 2, 3, 4, 5, 6, or 7 hour increments.*
 2. *The minimum of two (2) hours per day will be waived when utilizing the last hour of annual entitlement.*
 3. *Such use of these increments must in all cases be pre-authorized by supervision.*
 4. *Such increments cannot be used at the beginning of a shift unless authorized the prior work day or earlier.*
 5. *Such increments may be requested and authorized same-day for mid-shift or early leave use.*
 6. *Employees who request and are granted such increments are responsible for "having" such increments available.*
- h. *With prior supervisory approval, an employee may take Martin Luther King's birthday as either a pre-scheduled vacation day or a pre-scheduled day off without pay. Said time off shall not jeopardize an employee's Perfect Attendance nor shall it constitute an Occasion of Absence.*
- i. *Employees with four (4) or more weeks of vacation may designate an additional one (1) week of vacation to be used solely for pre-scheduled single or one-half day vacation.*
- j. *At the end of a calendar year, employees who have not fully utilized their single vacation days may either be paid for such days or defer them to the next calendar year. Employees who have not fully utilized their one-half vacation days or who have partial weeks of unused vacation as the result of borrowing from such weeks to supplement single days must be paid for such unused days.*
- k. *Deferred and/or newly designated single vacation days may not exceed a total of ten (10) days in any calendar year. Of these days, in any calendar year, only five (5) single days may be pre-scheduled in one-half day increments for a total of ten (10) one-half days and only five (5) single days may be used on either a call-in basis for illness, emergency, personal time off, or as pre-scheduled vacation days, subject to the provisions stated above.*
- l. *Supplies Delivery Seniority Unit employees with twenty-five years or more service may take three (3) weeks in single Pre-Scheduled days.*
- m. *Subject to the provisions of Paragraph e. and h. above, employees in the following areas may use all of their vacation as pre-scheduled single days: "S"*

Seniority Unit, "C" Seniority Unit, Model Shops, Tool Room, F-24 classification, and Distribution and Equipment areas.

- n. Employees assigned to Corporate Trucking or Rigging operations (M-4 and K-5 classifications) can utilize up to 15 vacation days per year as single days, subject to the provisions of Sections e., and h. of this Article.
- o. Employees shall state their preferences for vacation time, including the designation of single days and deferred vacation, by December 15 of the preceding calendar year on forms provided by the Company, and the Company shall respond to such vacation requests by January 15 of the vacation year.
- p. Except as limited in Article VIII, A., 5.m., above, and to the extent possible, vacations outside the vacation shutdown period shall be scheduled in appropriate job classifications by taking the following factors into consideration:
 - 1. Preferences of the employees.
 - 2. Operating requirements of the Company.

Where, due to operational requirements of the Company, employees cannot be scheduled for time of their preference, alternative schedules shall be made. Where vacation time can be scheduled, but where more than one (1) employee indicates preference for the time, the time shall be scheduled for the employee or employees with the most Company seniority. However, such seniority shall not entitle any employee to exercise greater Company seniority over an employee who has previously deferred vacation in accordance with the provisions of A., 7., d., of this Article.

- q. 1. For Assembly operations, including related warehousing and material handling functions, the scheduling of non-shutdown vacations shall conform to the following limitations:

**Maximum Percentage of All Employees
in Each Job Classification on a
Production Line Who Shall Be Scheduled
For Vacation in Any Week**

Calendar Month

January, February, March,
April, May, September, October,
November, and December, except
the week between Christmas and
New Year's Day.

5%

June, July, August, and
week between Christmas and
New Year's Day.

6%

2. In those areas where employees are not assigned to a specific Product Line, the percentage limitation for vacation scheduling shall be based upon specific classifications.
3. When, in the judgment of the Company, operating conditions permit, the Company may schedule vacations at percentage levels in excess of those indicated in q., (1), above.
- r. The Company shall make every reasonable effort to schedule vacations for as many employees in the Xerox Offset Operations Seniority Unit within an area and by classification during June, July, and August, exclusive of shutdown periods.

s. Scheduling of Vacations In The Service and Maintenance Seniority Unit

1. In any job classification in any area:
 - a. No more than 10% of the employees, but at least one (1) employee, shall be scheduled for vacation during shutdown periods.
 - b. No more than 15% of the employees, but at least one (1) employee, shall be scheduled for vacation during the week immediately preceding shutdown.
 - c. No more than 15% of the employees, but at least one (1) employee, shall be scheduled for vacation during the week immediately following shutdown.

Based on workload requirements, additional employees may be scheduled for vacation during these periods.

2. During the weeks of July and August not covered in (1), above, the Company shall schedule for vacation up to 30% of the employees in any job classification in any Area.
3. For purposes of vacation scheduling, the Company shall plan no maintenance project work during the week following Easter Sunday and during the week between the Christmas and New Year's holidays. The Company shall limit the number of employees scheduled to work at such times to that required to satisfy emergency and preventive maintenance needs only.
- t. Under normal circumstances, the Company shall not encourage employees to forego vacation time-off to which they are entitled. Except in cases of emergencies, or where operating conditions would otherwise be seriously impaired, or where employees are requested to forego vacations, and are willing to do so, the Company shall schedule the full vacation time for all employees. In the event that employees do not receive their full vacation time-off and have not scheduled vacation prior to December 31 of the vacation year, they shall receive vacation payment in lieu thereof.

- u. If a holiday falls during employees' vacations, they may, at their option, extend their vacations by one (1) day, receive one (1) day's pay in addition to their regular vacation allowance, or, with the exception of Christmas and New Years, pre-schedule another day later that calendar year as a holiday. When employees elect to extend their vacations by one (1) day, they shall be required to indicate the specific day preferred at the time they initially state their preference for vacation time. Such employees shall have the same option, as outlined above, with respect to any additional holidays that may fall during their scheduled vacation periods.
- 6. In the event an employee becomes eligible for original vacation, or an additional increment of vacation between November 1 and December 31 of any calendar year, the Company shall have the option of granting such original vacation or additional increment, or of paying the employee vacation pay for same without time-off.
- 7. Deferral of Vacation
 - a. Subject to the provisions of 5., j., k., and o., above employees who are entitled to more than two (2) weeks vacation in any calendar year may defer vacation entitlement in excess of two (2) weeks to the following year. Employees shall not be permitted to defer vacations in two (2) consecutive years.
 - b. Deferred vacation shall be in units of full weeks, except as otherwise provided for in 5., j. above.
 - c. Deferred vacation pay shall be calculated in accordance with Article VIII., A., 4., a., using either the gross earnings, or the straight-time hourly rate, if applicable, of that year for which the deferred vacation was earned.
 - d. Employees desiring to defer vacations shall so indicate their desire when they submit their vacation request form for the next immediate vacation year as required by A., 5., o., of this Article.
- 8. An employee recalled from layoff must work at least thirty (30) calendar days in order to be eligible for vacation for the year in which the employee returned to work.

B. HOLIDAYS

- 1. The Company shall observe the following holidays:

New Year's Day	Thanksgiving Day
Good Friday	Friday after Thanksgiving
Memorial Day	Christmas Day
July Fourth	Four (4) Floating Holidays
Labor Day	

2. Floating Holidays

- a. *The Floating Holidays shall be observed as indicated in Schedule D (page 102) for all Operations except: Distribution, Tool Room/Model Shop, Supplies, Maintenance, and Offset Printing.*
- b. *The Floating Holiday schedule for Distribution Operations shall be scheduled on a yearly basis in order to ensure continuous coverage, and that Distribution Operations can remain open. Fifty percent (50%) of employees in Distribution can be scheduled on any one Floating Holiday.*
- c. *Employees assigned to the Tool Room/Model Shop have the option of scheduling the annual four (4) Floating Holidays as Personal Choice Holidays.*

By December 15 of the year preceding use, employees in the Tool Room/Model Shops will designate their placement choices of the four (4) Floating Holidays for the upcoming calendar year. This placement would be restricted to the contiguous bracketing of the eight (8) Company observed holidays.

The granting of each individual request is subject to management approval based on business need. In the event that an over-subscription occurs on a given selected date that limits participation by all applicants, Company seniority in each classification will determine approval.

If this option is not exercised the general Floating Holiday schedule indicated in Schedule D will be followed.

- d. *Employees assigned to Maintenance Operations ("S" and "C" Units excluding non-Maintenance "C" Unit personnel) and the "H" Offset Unit, are allowed the option of scheduling four (4) personal choice Floating Holidays.*

By December 15 of the year preceding use, employees indicated above will designate their choice of Floating Holiday placement during the upcoming calendar year of four (4) Floating Holidays.

Personal Choice Days must be prescheduled by December 15th and comply with Article VIII., A., 5., s. "Scheduling of Vacations in the Service and Maintenance Seniority Unit." Personal Choice Holidays must be taken during the year and cannot be deferred into the following year.

There shall be no payment in lieu of any Personal Choice Holiday not taken during the year.

- e. *The Floating Holiday schedule for "C" Unit Service and Maintenance personnel who are assigned to non-Maintenance operations, shall conform to the schedule appropriate for the respective operation to which they report.*

- f. Employees assigned to the **Supplies Delivery (X) Seniority Unit** will apply their four (4) Floating Holidays in such a way as to provide for a year-end holiday shutdown. For the years 2003, 2004 and 2005, the Supplies Floating Holiday schedule will be as follows:

2003

Friday, December 26
Monday, December 29
Tuesday, December 30
Wednesday, December 31

2004

Tuesday, December 28
Wednesday, December 29
Thursday, December 30
Friday, December 31

2005

Tuesday, December 27
Wednesday, December 28
Thursday, December 29
Friday, December 30

- g. The following procedure will be utilized in cases where, during a year, an employee transfers from one organization to another and, as a result, finds that he/she has already taken Floating Holidays that have yet to be taken in the new organization or, conversely, has not taken them in a new organization where they have already taken them.
1. Where an employee moves to a new organization and, as a result of the above, has Floaters left to take that have already been taken, he/she will be provided with alternate days to observe the floater. Such days must be arranged with supervisory approval.
 2. Where an employee enters a new area having taken a Floater ahead of time, that is to be observed in the new area, that employee will be given the choice to either a) take the day(s) off without pay or, b) be assigned to work in another plant/organization. Days taken under (a) above will not count as absenteeism nor against Perfect Attendance.
 3. Employees who are not scheduled to work on a holiday shall receive eight (8) hours pay at their straight-time hourly rate, provided that they work their scheduled shift before and after the holiday.
 4. Employees who are scheduled to work and are present on the aforementioned holidays shall be paid at the rate of double-time for the hours worked plus eight (8) hours of holiday pay at their straight-time hourly rate, provided they work their next scheduled shift after the holiday.

5. Failure to work scheduled work shifts before and after the holiday and failure to work on the holiday when scheduled to do so shall be excused, where due to bonafide illness, occupational accident, death in the family, or other causes heretofore customarily recognized by the Company.
6. When a holiday is scheduled in conjunction with a weekend and when the Company requires that employees work on the Saturday of that weekend, the Company shall first schedule the required number of qualified employees by soliciting volunteers. If enough qualified employees do not volunteer, then the Company shall schedule as many qualified employees as are required to work that day. Such day of work for employees so scheduled shall constitute the work shift before or after the holiday, for purposes of determining eligibility for holiday pay.
7. In the event an employee is absent due to disability and is ineligible for any income replacement benefit, the Company shall pay holiday benefits for a period of one (1) year after the employee has left employment due to such disability.
8. An employee who is laid off but who is called back to work within ninety (90) days after the layoff and who reports for work when called shall receive holiday pay for any holidays which occurred during the period of layoff.

C. DEATH IN FAMILY

1. Employees shall be allowed up to five (5) working days off, with eight (8) hours pay per day at their straight-time hourly rate, on or immediately following the date of death of their spouse, domestic partner, mother, father, step-mother, step-father, children, or domestic partner's children. Should the death of the spouse, domestic partner, mother, father, step-mother, step-father, child, or domestic partner's child occur during a pre-scheduled vacation week(s) of the employee, the employee may extend such pre-scheduled vacation for up to five (5) additional days with pay.
2. Employees shall be allowed up to three (3) working days off, with eight (8) hours pay per day at their straight-time hourly rate, on or immediately following the date of death of family members as follows: brother, sister, father-in-law, mother-in-law, domestic partner's parents, grandparents, grandchildren.
3. Employees shall be allowed one (1) working day off, with eight (8) hours pay, at their straight-time hourly rate, on or immediately following the date of the death of a brother-in-law, sister-in-law, son-in-law, or daughter-in-law.

4. For purposes of this benefit, a "domestic partner" is an adult of the same or opposite sex who meets all of these criteria:

- Resides in the employee's household.
- Has lived with the employee for at least six (6) months.
- Is jointly responsible for the household's financial obligations or is dependent on the employee for financial assistance.
- Is in a relationship with the employee that is intended to be permanent and in which each is the sole domestic partner of the other.
- Is unmarried and at least 18 years of age.
- Is not related to the employee.

D. JURY DUTY

1. Employees who serve on jury duty, or who are called for jury duty examinations, on days which they would otherwise be scheduled for work, shall be paid their straight-time hourly rate multiplied by eight (8).
2. To be eligible for Company payments, the employee shall present a statement from an officer of the court indicating the date and time served.
3. To be eligible for payments, employees shall meet the following conditions:
 - a. Employees on a day schedule, who are released from jury service at 10:00 a.m. or before, are expected to return to work as promptly as possible, but in no case more than two (2) hours after their release from court.
 - b. Employees on an evening schedule shall report for their regular schedule, if released prior to noon.
 - c. Employees working a midnight schedule shall not be required to report for work on the shift preceding the first day of jury duty. Employees scheduled for midnights, who are released prior to noon, shall report for their normal schedule, unless scheduled for additional jury service the following day.

E. WORKERS' COMPENSATION HEARINGS

1. Employees required to attend workers' compensation hearings shall be eligible to receive pay for up to four (4) hours at their straight-time hourly rate.

F. LIFE INSURANCE, DEPENDENT LIFE, SICKNESS AND ACCIDENT, LONG-TERM DISABILITY, MEDICAL CARE, AND DENTAL CARE PLANS

1. During the term of this Agreement, the Company shall provide eligible employees covered by this Agreement all benefits described in Schedule C, which is attached to this Agreement and made a part hereof.

G. SIDNEY HILLMAN UNION HEALTH CENTER FUND

1. The Company agrees to make contributions to the Sidney Hillman Health Center, as provided in Supplemental Agreement II, dated June 1, 1956.

H. 401(k) COMPANY SAVINGS PLAN

1. The Profit Sharing Plan for calendar year 2002 is modified to pay out in 100% Xerox Stock Options.
2. The Profit Sharing Plan will terminate December 31, 2002.
3. The Company shall provide a 401(k) Matched/Company Savings Plan, a summary of which is outlined in Schedule G., and attached to this Agreement and made a part hereof.

I. RETIREMENT INCOME GUARANTEE PLAN

1. The Company shall provide a Retirement Income Guarantee Plan, a summary of which is outlined in Schedule H., and attached to this Agreement and made a part hereof.

J. EMERGENCY SNOW CLOSINGS

1. In the event that the Company is unable to operate or to continue to operate any facility because of a snow storm, employees shall be entitled to emergency snow closing pay of an accumulated maximum of sixteen (16) hours at their straight-time hourly rate during any one (1) calendar year, subject to the following conditions and limitations:
 - a. On any one (1) day, employees shall not be entitled to more than eight (8) hours pay at their straight-time hourly rate.
 - b. The determination of emergency snow closing or shift cancellation shall be at the sole discretion of the Company.
 - c. The obligation for payment shall apply only to the shift or shifts canceled.
 - d. When plants operate for part of their full scheduled shift, employees who report to work shall be entitled to pay for hours actually worked, plus emergency snow closing pay for only that part of the normal eight-hour shift which has been canceled. Unless otherwise ineligible as specified in f., below, those employees who fail to report for work on the scheduled shift, as referred to above, shall be eligible only for the same hours of emergency snow closing pay as was paid to those employees who worked.
 - e. No payments shall be made if the Company is unable to operate a scheduled shift because an insufficient number of employees report for work.

- f. No payments shall be made to employees who are absent on sickness and accident claims, Workers' Compensation claims, leaves-of-absence, or if employees are paid under any other benefit plan provided by the Company.
 - g. Emergency snow closing pay hours shall be understood to be those which occur on regular work days, Monday through Friday. With the exception of employees whose normal five (5) day workweek includes a Saturday or a Sunday, snow closings on Saturdays and Sundays shall not be paid.
 - h. Unused emergency snow closing hours shall not be cumulative from year to year, and, if undeclared by the Company, shall be forfeited.
 - i. Compensation shall not be paid for unused emergency snow closing hours.
2. When operations are suspended due to emergency snow closings, those employees assigned to Job Classifications L-21, Senior Groundskeeper; L-25, Vehicle Mechanic B; L-26, Vehicle Mechanic A; and L-29, Groundskeeper:
- a. Shall not be paid for time not worked under the provisions of Article VIII., J., 1.
 - b. Shall be required to work their normal shift.
 - c. Shall be compensated at double the rate of their straight-time pay for such normal shift work. (There shall be no pyramiding of overtime or premium pay in connection with this provision.)
 - d. Shall not receive such double-time payments for more than eight (8) hours on any occasion, nor more than sixteen (16) hours in any one calendar year.
 - e. Shall not be compensated, under the provisions of Article VIII., J., for time lost when they fail to work, unless such failure resulted from an official declaration by the county where the employee resides that all roads were closed at the time when the employee could reasonably have been expected to travel to work. The employee so affected shall be required to submit to the Company written proof from the county government of the date and time of such road closings.

K. SUPPLEMENTAL UNEMPLOYMENT BENEFITS PLAN

- 1. The Company agrees to keep in full force a Supplemental Unemployment Benefits Plan, a summary of which is outlined in Schedule E. and attached to this Agreement and made a part hereof.

L. SEVERANCE PAY PLAN

- 1. The Company shall provide Severance Pay benefits to eligible employees in accordance with the terms of the Severance Pay Plan described in Schedule F. which is attached to this Agreement and made a part hereof.

M. DEFINITION OF SENIORITY

1. For purposes of determining entitlement to benefits, where applicable, Company seniority shall be regarded as beginning with the most recent date of an employee's hire into any facility or subsidiary of the Company, unless otherwise modified by provisions of the Employee Retirement Income Security Act of 1974, or specific benefit plans, themselves.

N. RETIREMENT

1. Eligibility for retirement and provision of benefits for retirees are set forth in Schedule I., which is attached to this Agreement and made a part hereof.

O. LOSS OF BENEFITS

1. Except as otherwise expressly provided by law or elsewhere specifically in this Agreement, or by the terms of insurance contracts or plans in effect, eligibility for benefits under this Article shall be terminated upon any of the following events:
 - a. After the third month, for employees who are on leave-of-absence for more than , shall terminate with the commencement of said leave-of-absence. However, Sickness and Accident Plan benefits and Medical Plan benefits shall be paid to an employee for the duration of an expected disability that was declared by the employee at the time that the leave-of-absence was approved.
 - b. After one (1) year, for employees who are absent due to illness in excess of one (1) year, except that insured benefits (Life Insurance, Medical, Dental, and Long-Term Disability) shall not terminate for employees who are eligible to receive benefits under the Long-Term Disability Plan.
 - c. Termination of employment.
 - d. At the time of layoff, except that Medical, Dental, and Vision Plan benefits shall continue as follows:
 - (1) For a period of one (1) calendar month following the month of layoff, or
 - (2) For the period of time when employees are entitled and continue to receive Supplemental Unemployment Benefits.
2. Employees recalled to work from layoff, shall be entitled to reinstatement of eligibility for benefits immediately upon return to active employment. Employees on Long Term Disability will not be entitled to vacation pay after the initial year of their absence, unless they return to work.
3. In the event that employees on leaves-of-absence are unable to return to work because of verified illness, their eligibility for Sickness and Accident Plan benefits shall be reinstated as of the date when they were scheduled to return from said leaves-of-absence.

ARTICLE IX.

SKILLED TRADES

A. DEFINITION OF SKILLED TRADES

1. Skilled Trades shall include those job classifications for which apprentice programs are a normal requirement, as mutually agreed upon between the Company and the Union.
2. The following job classifications shall be specifically designated as Skilled Trades for purposes of this Article. Employees assigned to these classifications shall be paid at a rate appropriate to the designated "Paid Labor Grade" as follows:

<u>Job Code</u>	<u>Job Classification</u>	<u>Paid Labor Grade</u>
W-50	Tool Maker & Experimental Mechanic AA	30
W-52	Tool Maker & Experimental Mechanic A	28
W-54	Tool Maker & Experimental Mechanic B	26
W-7	Model Maker & Experimental Mechanic	
	Electrical AA	30
W-5	Tool Jig Borer Operator	30
W-13	Tool Room Machinist	21
W-22	Cutter, Grinder, and Checker	16
W-27	Tool Room Welder	25
W-29	Electrical Model Maker A	28
W-30	Electrical Model Maker B	26
L-19	Electrician A	24
L-17	Electrician B	21
L-22	Pipefitter A	23
L-18	Pipefitter B	20
L-26	Vehicle Mechanic A	23
L-25	Vehicle Mechanic B	20
L-28	Carpenter A	21
L-27	Carpenter B	18
L-24	Welder & Sheet Metal Worker A	23
L-23	Welder & Sheet Metal Worker B	20
L-34	Maintenance Painter	19
L-20	Machine Repair Mechanic & Rebuilder A	23
L-16	Machine Repair Mechanic & Rebuilder B	20
L-52	Machine Repair Mechanic & Rebuilder AA	25

3. Employees classified in the above job classifications or hired into these job classifications based on past experience shall be considered Skilled Trades employees.

B. PROBATIONARY PERIOD FOR NEW DIRECT HIRES

1. All newly hired employees who are assigned directly to a Skilled Trades Job Classification shall be subject to a probationary period of sixty (60) days. Whenever it is determined by the Company that the performance of employees during the initial probationary period is unsatisfactory, the Company shall notify the appropriate Shop Representative and may request a thirty (30) day extension of the probationary period.

C. SKILLED TRADES PROGRESSION

1. Skilled Trades employees shall progress within their respective skill from lower rated job classifications to higher rated job classifications, whenever the following requirements have been met:
 - a. Fulfillment of necessary time-in-grade requirements.
 - b. Passing of all requisite tests, both written and practical.
 - c. Ability to perform satisfactorily the duties of the higher classification.

D. APPRENTICESHIP PROGRAMS

1. The apprenticeship program for the Maintenance skilled trades shall be carried out in accordance with the terms of the Maintenance Apprenticeship Agreement which is attached to this Agreement and made a part hereof as Supplemental Agreement H.
2. Employees who are otherwise qualified shall be selected for entrance into any apprenticeship programs other than the Maintenance Skilled Trades Apprentice Programs on the basis of the longest Company-wide seniority. For purposes of filling the Maintenance skilled trades apprenticeship programs, employees shall be selected from the Maintenance Helper classification. Employees of the Maintenance Helper classification will be required to bid on Maintenance skilled trades apprenticeship openings and shall subsequently be selected to fill the openings on the basis of their Maintenance Helper classification seniority. Should any apprenticeship openings remain unfilled after an initial job posting, employees of the Maintenance Helper classification shall fill the openings in accordance with Apprentice Preference Sheets. Should any apprenticeship openings still remain unfilled, the openings shall be posted to all other classifications in the bargaining unit.
3. Skilled Trades seniority shall commence on the first day an employee enters the respective apprenticeship program.

4. Employees who have completed a Company-sponsored apprenticeship program, or who were formerly enrolled in such a program without completing it, or who are currently enrolled in such a program, shall not be eligible to enter any other Company-sponsored apprenticeship program. However, employees who have completed a Company-sponsored apprenticeship program, have been assigned to a Skilled Trades job classification, and who subsequently are cut back from that job classification, may apply for enrollment in another Company-sponsored apprenticeship program. Upon entering another program, such employees shall forfeit all seniority rights to return to their former Skilled Trades job classification.
5. Employees who have successfully passed Company selected apprenticeship test batteries as of 3/20/89, and their test scores can be verified, shall remain eligible for entry into the appropriate apprenticeship program without re-testing.
6. Any employee who has not successfully passed a Company selected apprenticeship test battery as of 3/20/89, will be required to take and pass revised Company selected apprenticeship tests. An employee who successfully completes the apprenticeship test battery, shall be eligible for entry into the appropriate apprenticeship program for a period of three (3) years without retesting. Employees shall be eligible to renew their testing certification six (6) months prior to expiration of the three (3) year certification period by passing the appropriate apprenticeship test battery.

ARTICLE X.

DISCIPLINE

The Company, through its supervisory staff, shall maintain discipline, and the Union may challenge disciplinary action through the grievance procedure if the Union believes such action is unjustified.

All demotions or transfers for any disciplinary reason or because of the inability of the employee to produce the quality of work necessary shall be taken up with the duly authorized Shop Representative or Business Representatives of the Union, before any action is taken. The Company shall notify the duly authorized Shop Representative, at the earliest time practicable, of the suspension or termination of the employee.

ARTICLE XI.

GRIEVANCE PROCEDURE

A. COMPLAINTS

1. When employees have complaints, an earnest effort shall be made to settle them through discussions with their immediate Supervisors, subject to the following conditions:
 - a. Complaints shall be discussed immediately after the occurrence of the incidents which led to the complaints, or as soon as employees become aware of such incidents.
 - b. Immediate Supervisors shall give verbal answers to such complaints within two (2) working days after receiving them.

B. UNRESOLVED COMPLAINTS

1. When complaints are not settled by the immediate Supervisors' verbal answers, such unresolved complaints shall become grievances, if the employees desire to register their complaints as grievances and appeal to Step 1 of the grievance procedure within five (5) working days after receipt of a verbal answer.

C. GRIEVANCES

1. Only unresolved complaints shall become grievances and such grievances shall be handled in the following sequence:
 - a. Step 1:
 - (1) Within five (5) working days from the date of the appeal of such unresolved complaints, the General Supervisor and immediate Supervisor concerned shall meet with the employees and Shop Representatives concerned to discuss the grievances at issue.
 - (2) General Supervisors shall give verbal answers within two (2) working days after such discussions have taken place.
 - b. Step 2:
 - (1) If no settlement is reached in Step 1, grievances, if pursued, shall then be reduced to writing by employees and/or the Shop Representatives concerned and submitted to the appropriate Subsection Manager, through Unit Industrial Relations, within five (5) working days from the date of the General Supervisors' verbal Step 1 answers.

- (2) Grievances shall be heard by Subsection Managers or their delegates during the calendar week next following the date when the grievances were submitted.
- (3) Subsection Managers shall give written answers to grievances within five (5) working days from the date when such grievance were heard.
- (4) *The Step 2 answers shall be the Company's position, unless subsequently changed in writing.*

c. Step 3:

- (1) If no settlement is reached in Step 2, then the Shop Representatives concerned may notify Unit Industrial Relations of the Union's intention to appeal. Such notifications shall take place within five (5) working days after receipt of the Step 2 written answers.
- (2) *Unit Industrial Relations shall schedule Step 3 grievance meetings at least twice each month. Such meetings shall be attended by the appropriate Plant or Section Manager and Industrial Relations Representative for the Company, and by the appropriate Shop Representative and Business Agent for the Union.*
- (3) Step 3 grievances shall be heard at the meeting next following the date of notification of intention to appeal from Step 2.
- (4) *The Company shall give written answers to grievances heard at Step 3 within ten (10) working days of the Step 3 grievance meeting.*

d. Step 4:

- (1) If no settlement is reached in Step 3, then the Union Business Agent may appeal such grievances to Corporate Industrial Relations through the Manager of Unit Industrial Relations. Such appeals shall be filed within twenty (20) working days after the receipt of the Company's Step 3 answer.
- (2) *The National Director, Xerographic Division, UNITE, AFL-CIO, and the Director, Corporate Industrial Relations, or the designated representative of each shall arrange for a meeting at least once each calendar month to discuss grievances which have been appealed to Step 4.*
- (3) The Company shall give written answers to grievances heard at Step 4 within twenty (20) working days of the Step 4 grievance meeting.



e. Step 5:

- (1) In the event that a grievance is not satisfactorily settled at Step 4, notwithstanding the provisions of F., 3., 4. and 5. below, it may only be appealed to arbitration by either party upon written notice to the other party within thirty (30) working days from the date the Step 4 answer was delivered to and acknowledged in writing by the General Shop Representative.
- (2) For the term of this Agreement, a panel of arbitrators shall consist of Dana Eischen, and James Gross.
- (3) Arbitrator Mona Miller will also be added to the panel and will be used for disciplinary cases.
- (4) To the extent grievances arise to Step 5, the parties will seek two (2) dates per year from both Arbitrator Eischen and Arbitrator Gross. The Arbitrator who has provided the next available date will hear cases.
- (5) In the event that any one of the above are unable to serve, the parties will seek the services of Arbitrator Bernard Ashe as an alternate.

D. OVERTIME GRIEVANCES

1. The Company shall not provide compensatory overtime payments in order to resolve grievances of employees who were improperly denied overtime work as a result of a misassignment of such overtime to another employee, but shall resolve such grievances by providing the aggrieved employee with an alternative overtime work opportunity, unless:
 - a. The aggrieved employee or the appropriate Shop Representative calls the misassignment to the attention of the appropriate Supervisor before the overtime is actually worked and that Supervisor fails to correct the misassignment.
 - b. The aggrieved employee has been transferred to another job classification or to another overtime work group, before the alternative overtime work opportunity can be offered to that employee.
 - c. The calendar year in which the misassignment occurred ends before the alternative overtime work opportunity can be offered to the aggrieved employee.
 - d. The misassigned employee is from another overtime work group.
2. When overtime is reassigned to correct misassignments, the employee who was incorrectly assigned shall not be entitled to an additional compensation beyond hours actually worked.

E. WORK ASSIGNMENT ISSUES

Issues involving straight-time work assignment (within UNITE jurisdiction) that cannot be resolved at the supervisory level, will be resolved per the following procedure:

1. Where such issues are apparent in advance or where they have been brought to the Supervisor's attention in advance by the Shop Representative, and not resolved, they will quickly be referred to the appropriate Industrial Relations Representative and manager for direction.
2. Should such issues remain after the Step 1 above, they will be handled outside the grievance procedure by quickly elevating same to the DSSG Industrial Relations Manager and the UNITE Business Agent.
3. Should such issues continue to remain after Step 2 above, they shall be directed to expedited Arbitration for resolution.

F. MISCELLANEOUS

1. For purposes of the grievance procedure, working days are defined as Monday through Friday, exclusive of holidays.
2. By mutual agreement, the parties may extend in writing the time limits specified in this Article. In each case of an agreed upon extension of time limits, the grievance shall indicate the number of days of extension and the specific Step to which the extension applies.
3. Failure of the Company to comply with the time limits set forth in Section C. of this Article shall automatically advance the grievance to the next step, unless the parties have agreed to an extension of time limits. Such extension shall be added to the time limits before the grievance is advanced automatically to the next step.
4. Any grievance filed on a timely basis at Step 1 which is not appealed to arbitration within one hundred forty-four (144) working days from the date it was filed shall be regarded as untimely for arbitration.
5. Any grievance filed on a timely basis directly at Step 3 which is not appealed to arbitration within one hundred eighteen (118) working days from the date it was filed shall be regarded as untimely for arbitration.
6. The total number of days of extension for any grievance shall be added to the number of days specified in C. 1. e., (4) and (5). of this Article, for purposes of determining the timeliness of the appeal to arbitration.

7. When deemed necessary, either party may request the presence of individual grievants, representative committees of aggrieved employees, or representatives of the Company at any step or steps of the grievance procedure.
8. The Company shall schedule all formal grievance meetings during the working time of the grievants. If meetings extend beyond scheduled working time, grievants may continue to attend the meetings without pay.

G. SUGGESTION PLAN

Complaints arising with regard to the Company's Methods Improvement Reward System shall not be subject to the provisions of the Grievance Procedure described in this Article.

ARTICLE XII.

SAFETY AND HEALTH

- A. The Company and the Union jointly commit to pursue, through regular involvement in Safety and Health activities in the operations, a safe and healthy workplace.
- B. The parties, through Plant Management and local Shop Representatives will participate in monthly safety reviews within each product family, line, or business center operation to include the review of safety performance data, any ad hoc or ongoing concerns and local initiatives and/or continuous improvement actions.
- C. At a frequency of no less than two (2) times per year, operational Vice Presidents will convene a Monroe County level oversight steering committee meeting to include operational Vice Presidents, Senior Operational Management, Manager of Environmental Health and Safety, Manager of Industrial Relations, Senior Union Leadership and all Shop Representatives.
- D. The purpose of the oversight steering committee meeting is to:
 - 1. Review aggregate safety performance reports and statistical information.
 - 2. Provide the Union with a forum for feedback on the overall safety environment and elevate concerns that were not fully resolved at the first level meetings.
 - 3. Discuss and recommend broad and comprehensive initiatives to improve the overall health and safety environment.

ARTICLE XIII.

QUALIFYING TRAINING COURSES

- A. The Company shall determine the specific skills-training courses that employees shall be required to successfully complete in order to qualify for promotion to, transfer within, and retention in the job classifications for which the qualifying training programs were developed.
- B. Such training courses shall be offered to employees on non-working and non-paid time either in Company training facilities, or in Company approved training programs elsewhere.
- C. Any employee in any seniority unit shall have the right to enroll in any required qualifying course.
- D. Admission to Company, provided courses shall be determined on the basis of available training slots. Applicants shall be scheduled, on the basis of Company seniority, in the following sequence:
 - 1. Employees of the job classification for which the training is required who had been previously promoted to that job classification on a provisional basis, with the understanding that they had to complete the required courses successfully.
 - 2. Employees in the seniority unit in which the job classification exists.
 - 3. Employees in any other seniority units.
- E. Changes in established skills-training courses shall be implemented after discussion with the Union.

ARTICLE XIV.

EMPLOYEE INVOLVEMENT

A joint Company-Union Employee Involvement Committee shall be established to investigate and pursue opportunities for enhancing employees' work satisfaction and productivity. To this end, the Joint Committee shall meet regularly to undertake the following responsibilities:

- A. Review and evaluate ongoing programs, projects, and experiments, both within and outside the Company, designed to encourage employee involvement.
- B. Develop programs, projects, and experiments that might ultimately be broadly applied.
- C. Establish subcommittees to develop suggested programs for specific areas. Hear and review reports from these subcommittees.
- D. Submit reports and recommendations to the Company and Union regarding the implementation and subsequent progress of specific programs.
- E. During the 2002 contract negotiations, the Company indicated that it remains committed to the tenets of Employee Involvement. The parties agreed to revisit the structure and design of the program with the objective to improve program effectiveness. Those suggestions will be referred to the senior Steering Committee for evaluation and disposition.

ARTICLE XV.

EMPLOYEE EMPOWERMENT

A joint Company-Union Employee Empowerment Committee shall be established to explore the concept of Empowerment and, if mutually agreeable, apply concepts of Employee Empowerment in all operations of the business.

ARTICLE XVI.

ABSENTEEISM CONTROL

- A. All employees shall be subject to the terms of the following Good Attendance Program:
1. Employees with two (2) consecutive calendar years of perfect attendance shall be exempt from the plan for the next calendar year.
 2. Absences for any of the following reasons during the calendar year shall not affect an employee's perfect attendance:
 - a. Paid Holidays.
 - b. Vacation (including single and one-half days).
 - c. Death in the Immediate Family.
 - d. Jury Duty.
 - e. Appearance Required by Subpoena.
 - f. Military Reserve Training.
 - g. Absence and/or Lateness Totalling Less than eight (8) Hours Per Year With No More than Two (2) Hours on Any One Day.
 - h. Union Business Heretofore Customarily Recognized.
 - i. Worker's Compensation Related Absences on the Date of the Injury, and Up to Four (4) Paid Hours on Dates of Treatment(s) and Hearing(s).
 - j. Emergency Community Service.
 - k. Inability to Report to Work due to Verifiable Closing of Roads for Snow Conditions.
 - l. Company Declared Snow Closings.
 - m. Martin Luther King Day
 - n. Absences sanctioned under the Federal Family and Medical Leave Act.
 3. An Occasion of Absence is defined as a period of time consisting of two (2) or more hours in any workday, or one or more of a series of consecutive working days during which an employee is absent from work. Absence from work on a day when an employee has been scheduled to work overtime shall be considered an Occasion of Absence.

4. Occasions of Absence shall not include the following:
- a. Paid Holidays, except for absence on such a holiday for which an employee was scheduled to work.
 - b. Regularly scheduled vacation.
 - c. A single day of vacation or one-half day of vacation, as provided for in Article VIII, A., 5, e. if such a single day or one-half day is taken with prior supervisory approval as a personal day of absence, or if such single day of vacation is taken on account of illness or emergency, provided the employee has appropriate verification.
 - d. Sundays, when, in that workweek, the employee has not volunteered to work overtime on Sunday, and the employee has worked all scheduled straight-time and overtime hours, Monday through Saturday.
 - e. Continuous Absence for Pre-scheduled Out-Patient Surgery and Resulting Recovery Period (Verified by the Company Medical Department), Hospital Pre-Admission Period, Hospital In-Patient Care, and Post-Discharge Recovery Period.
 - f. Authorized Leaves-of-Absence.
 - g. Jury Duty.
 - h. Death in the Immediate Family.
 - i. Emergency Community Service.
 - j. Workers Compensation Related Absences.
 - k. Maternity Leaves-of-Absence.
 - l. Company-Declared Snow-Day Closings.
 - m. Inability to Report to Work Due to Verifiable Closing of Roads for Snow Conditions.
 - n. Tardiness, or Early Leaving for less than two (2) hours.
 - o. Daily Overtime.
 - p. Verifiable Partial Days of Absence Due to Emergency.
 - q. Dismissal for Medical reasons by Medical Department or Foreman on 2nd or 3rd shift.
 - r. Appearance Required by Subpoena.
 - s. Oral surgery performed either in a hospital or on an out-patient basis.

- t. *The first doctor approved absence covered by the Sickness & Accident Plan as qualified by paragraph 5. below.*
 - u. *Martin Luther King Day.*
 - v. *Absences sanctioned under the Federal Family Medical and Leave Act.*
5. *If an employee incurs three (3) Occasions of Absence in any consecutive twelve-month period, the employee's employment with the Company shall be terminated. If one of the occasions is the result of an absence greater than two hours but less than one day, the employee shall not be terminated provided, the employee has a verifiable excuse for such occasion, has a satisfactory overall work record, and the employee's percentage of absenteeism is less than the absenteeism percentage for the total bargaining unit. In addition, in any calendar year, the first doctor approved absence covered by the Sickness & Accident Plan shall not be counted as an occasion of absence for purposes of the Good Attendance Program.*
 6. *An employee who achieves six (6) consecutive months of perfect attendance from the date of the employee's last occasion of absence shall have that occasion removed from the employee's record.*
 7. *The Company shall notify both the employee and the Union after each occasion of absence the employee has incurred.*
 8. *A three (3) person Review Committee shall be established consisting of one representative each from the Union, the Company Medical Department, and Operating Management or Industrial Relations. The Committee shall review cases which are appealed to it. Such appeals shall be available for only cases involving employees who have incurred serious medical problems, such as heart conditions or cancer, which require sudden repetitive short-term absences, or any other condition which requires recurring absences for special medical treatments such as dialysis. In reviewing a case on appeal, the Committee shall take the employee's total attendance record into consideration. The Committee must agree unanimously that the case has merit, otherwise, the employee shall be terminated.*
 9. *An employee shall have the right to grieve termination of employment, in accordance with the provisions of Article XI, only when that employee believes that the procedural provisions of this Program have not been properly followed.*
 10. *During the term of this Agreement the Company shall be willing to review with the Union the experience under this program and modify the program, if necessary, to avoid hardship to employees with otherwise satisfactory attendance records.*
- B. *The Good Attendance Program is in addition to, and does not replace, the Excessive Absenteeism Counseling Program (EACP), formerly called the Part-Time Counseling Program. The EACP attempts to rehabilitate employees with records of excessive absenteeism, who, failing such rehabilitation, are terminated. The EACP shall include employees whose rate of absenteeism equals or exceeds 10%.*

ARTICLE XVII

TEMPORARY WORK FORCE

A. DEFINITION

1. The Temporary work force shall consist of those employees who are hired by the Company specifically for short-term work such as temporary peak work loads, seasonal requirements, unusual conditions of absenteeism, or the need to maintain productivity which would otherwise decrease as a result of job movement of employees within the permanent full-time work force.

B. RESTRICTIONS AND LIMITATIONS

1. The number of temporary employees shall not exceed 15% of the permanent full-time work force, with the understanding that the number can be increased where mutually agreed upon by the parties.
2. Temporary employees shall be assigned to the job classifications of Labor Grade 9 and below.
3. Temporary employees in Labor Grades 7, 8 and 9 shall not be employed in any one period of employment for more than six (6) consecutive months.
4. Temporary employees in Labor Grade 6 and below shall not be employed in any one period of employment for more than twelve (12) consecutive months.
5. Employees of the Temporary work force shall not be retained while active permanent full-time employees are subject to indefinite layoff.

C. QUALIFICATIONS

1. No person shall be selected to perform temporary work in any job classification for which they are not qualified.

D. ORDER OF HIRING

1. When the Company requires employees for the Temporary work force, it shall select such employees in the following order:
 - a. From among all employees who have been laid off and still retain recall rights. These employees shall be notified of the future possibility for temporary work and invited to indicate their interest in such work. Those who respond affirmatively shall be notified when such work actually becomes available. They shall be hired in the order of their greater Company seniority. Those who respond negatively, or who fail to respond, or who decline to accept work when it is available, shall not be notified subsequently of other temporary work opportunities. Neither acceptance nor refusal to accept a temporary work assignment shall affect recall rights to regular work.

- b. From among all retirees. These employees shall be notified of the future possibility of temporary work and invited to indicate their interest in such work. Those who respond affirmatively shall be notified when such work actually becomes available. They shall be hired based on their greater active Company service (Date of Hire to Date of Retirement). New retirees will be notified at time of retirement. Those who respond negatively, or who fail to respond, or who decline to accept work when it is available, shall not be notified subsequently of other temporary work opportunities.
- c. From any other source. These employees shall be subject to a thirty (30) day probationary period.

E. WAGES

1. Employees of the Temporary work force shall be paid a wage equal to the Entry Step Rate for Labor Grade 5, plus COLA.
2. Employees of the Temporary work force shall receive COLA payments in accordance with Article V., F., 5.
3. Employees of the Temporary work force who are assigned to work in either the Cleaner classification or in any of the newly established Entry Level job classifications shall be paid at the new Entry Rate for that classification.

F. BENEFITS

1. Employees of the Temporary work force shall be entitled to benefits which are required by the law of an appropriate governmental jurisdiction. In New York State this will include partial pay (presently \$27.50) for the first three days of required jury service where notice of such service is presented to management in advance.
2. They will also receive eight (8) hours pay at straight-time for any scheduled holiday not worked during their term of employment, provided they work their scheduled shifts before and after the holiday. Employees of the Temporary work force shall not be entitled to any other benefits provided by this Agreement.

G. WORK SCHEDULE

1. The hours of work for employees of the Temporary work force shall be the same as those of regular employees in the same work activity or area.

H. OVERTIME

1. Employees of the Temporary work force shall be allowed to work overtime on the condition that they are qualified to perform the work and that all permanent full-time employees in the Overtime Work Group were previously canvassed.
2. Employees of the Temporary work force shall be entitled to overtime premium pay as provided for in Article IV., B.

I. REASSIGNMENT OF TEMPORARY WORK

1. When work has been assigned to the Temporary work force in Labor Grades 7, 8 and 9 and it is subsequently determined that such work will exceed six (6) months, the Company shall reassign it to regular employees and/or recall or hire additional regular employees as required.
2. When work has been assigned to the Temporary work force in Labor Grades 6 and below and it is subsequently determined that such work will exceed twelve (12) months, the Company shall reassign it to regular employees and/or recall or hire additional regular employees as required.

J. UNION MEMBERSHIP AND REPRESENTATION

1. In conformance with the appropriate provisions of Article II, C., employees in the Temporary work force, following the probationary period, shall become members in good standing of the Union and shall be entitled to representation by the Union, including the resolution of their grievances.

K. SENIORITY

1. Temporary employees shall not be entitled to any seniority rights, which are provided for elsewhere in this Agreement.

ARTICLE XVIII.

PART-TIME WORK FORCE

A Part-Time work force shall be established pursuant to the following terms and conditions:

A. RESTRICTIONS AND LIMITATIONS

1. The number of Part-Time employees shall not exceed 3% of the permanent, full-time work force. The combined number of Part-Time and Temporary employees shall not exceed 15% of the permanent, full-time work force.
2. Part-Time employees shall be assigned to the job classification of Labor Grade 6 or below. Assignments above Labor Grade 6 shall be in accordance with current practices.
3. Present permanent, full-time employees shall not be displaced from the area by Part-Time employees.
4. The Company shall not lay off permanent, full-time employees while Temporary or Part-Time employees are employed.
5. Assembly line operations shall be excluded from the Part-Time assignments.
6. Part-Time employees shall not have any promotion and transfer rights. (To the extent practicable, however, the Company will accommodate the scheduling needs of Part-Time employees.)
7. Part-Time employees will be assigned where mutually agreed upon by the parties.

B. ORDER OF HIRING

1. Retired bargaining unit employees shall be given the first opportunity of accepting Part-Time assignments.

C. ORDER OF LAYOFF

1. In the event of a reduction of the Part-Time work force, employees will be laid off in the inverse order of seniority.

D. WAGES

1. Part-Time employees shall be paid the Entry Step Rate for Labor Grade 5, plus COLA.
2. Part-Time employees shall not receive shift differential.

E. BENEFITS

1. Employees of the Part-Time work force shall be entitled to requisite, statutory benefits. They shall also receive four (4) hours pay for holidays set forth in Article VIII., B. of the labor agreement provided they work their scheduled shift before and after the holiday to be paid. Employees of the Part-Time work force shall not be entitled to any other benefits provided by this agreement.

F. WORK SCHEDULE

1. Part-Time employees shall work less than 20 hours per week and will be scheduled four (4) or less hours per day on a fixed shift configuration Monday - Friday. Flexible work hours may be used, allowing for varying start/finish times.

G. OVERTIME

1. Part-Time employees shall not be utilized on overtime.

H. UNION MEMBERSHIP AND REPRESENTATION

1. Part-Time employees will be eligible for consideration for full-time employment.
2. In conformance with the appropriate provisions of Article II., Section C., employees in the Part-Time work force, following the successful completion of their probationary period, shall become members in good standing of the Union and shall be entitled to representation by the Union, including the resolution of their grievances.

ARTICLE XIX.

WORK FOR PHYSICALLY DISABLED EMPLOYEES

A. WITHIN THE BARGAINING UNIT

1. A Bargaining Unit employee who is physically disabled and restricted from performing work in his or her permanent job classification shall be assigned by the Company, in accordance with his or her seniority, to an opening in any job classification in which suitable work is available.

B. OUTSIDE THE BARGAINING UNIT

1. When such work within the Bargaining Unit is unavailable, an employee who is physically disabled may be assigned by the Company on a temporary basis to suitable non-Bargaining Unit work. Those employees who voluntarily accept and work in such temporary assignments shall be regarded as members of the Bargaining Unit and paid their permanent Bargaining Unit job classification rates during the period of temporary assignment. Such employees shall not be entitled to resort to the grievance procedure about issues relating to the temporary assignment. They shall retain, at all times, the right to return, without prejudice, to the Bargaining Unit job classification to which their seniority entitles them, provided they are physically capable of doing the work. The Company shall likewise retain the right to reassign such employees when, in its judgment, their services in the non-Bargaining Unit work are no longer required.

C. NON-EXPANSION OF BARGAINING UNIT JURISDICTION

1. The provisions in B., above, shall not expand Bargaining Unit jurisdiction.

ARTICLE XX.

TEMPORARY LAYOFFS

Whenever operating conditions develop for which a group of employees is temporarily without work, such employees shall be temporarily laid off, without regard to their seniority, subject to the following provisions:

A. PROCEDURES

1. *Employees who are on temporary assignment in the affected group shall be reassigned from that group to other work and shall not be subject to temporary layoff.*
2. *To the extent practicable, the Company shall attempt to find alternate suitable work for employees who are on permanent assignment to the affected group by temporarily reassigning them in accordance with the provisions of Article VI., D.*
3. *Employees of the affected group who are not temporarily reassigned shall be temporarily laid off upon proper prior notification.*

B. NOTIFICATION

1. The Union shall be notified of the temporary layoff and its duration not later than the workday preceding such layoff.
2. Employees shall be notified of the temporary layoff and its duration not later than the end of their working shift on the workday preceding such layoff.

C. DURATION OF TEMPORARY LAYOFFS

1. The duration of each occasion of a temporary layoff shall not be for less than one (1) full workday, nor for more than two (2) workweeks.

D. LIMITATIONS ON TEMPORARY LAYOFFS

1. The Company shall not schedule more than four (4) occasions of temporary layoffs within the Bargaining Unit in any calendar year.

E. COMPENSATION AND BENEFITS

1. Employees who are temporarily laid off shall be entitled to compensation as follows:
 - a. Employees placed on Temporary Layoff pursuant to this Article will be entitled to a weekly benefit of 79% of gross weekly straight time pay (at the time of their layoff) less estimated state unemployment benefits.
 - b. Employees who are either ineligible for state unemployment benefits or are eligible for reduced benefits will have their benefits adjusted to the levels indicated in a. above. Such employees will have to provide evidence of such denial or reduction.

To avoid an interruption in the flow of income to employees on temporary layoff, the Company shall advance, to those employees who request it and who sign a repayment authorization, the equivalent of their State Unemployment Insurance benefits. Such advances can be made on a week-to-week basis for each week of temporary layoff or portion thereof.

Medical, dental, and life insurance benefits coverage shall be continued during the period of temporary layoff.

F. EXCEPTION

1. Employees who are not eligible for State Unemployment Insurance benefits shall not be subject to temporary layoff.

ARTICLE XXI.

EMPLOYMENT GUARANTEE

All permanent Bargaining Unit employees, who are in active employment status on the date of contract ratification, shall not be subject to economic layoff during the term of this contract, which shall continue in effect until March 13, 2005.

ARTICLE XXII.

VALIDITY

In the event that any portion of this Agreement is invalidated by any existing or subsequently enacted legislation, or by an award of a court of competent jurisdiction, such invalidation shall apply only to that portion so invalidated, and all remaining portions of this Agreement shall remain in full force and effect.

ARTICLE XXIII.

SUCCESSORSHIP

A. DEFINITIONS

1. Transfer of Business shall mean the transfer by sale, lease or otherwise of ownership of or operational control over a significant portion of the Company's current production functions or facilities in Monroe County, New York to any other individual, partnership or corporation provided, however such term shall not include any such transfer, sale or lease, in whole or in part, which forms part of one or more financing transactions by the Company where the Company retains operational control of the assets transferred, sold or leased.
2. Transferee shall mean any individual, partnership or corporation to which the Company shall make a Transfer of Business.

B. NOTICE AND REGULATIONS

1. There shall be no Transfer of Business unless at least sixty (60) days prior to the effective date of such Transfer of Business the Company has delivered to the Manager of the Rochester Joint Board a binding written commitment by the Transferee to assume all of the Company's obligations under this Agreement. In addition, the Company agrees that during said sixty (60) day period immediately preceding such a transfer, it shall meet at reasonable times, for the purpose of negotiating with the Union all issues concerning the effects of the Company's decision to transfer its operations.

C. TERM OF ASSUMED CONTRACT

1. If on the effective date of a Transfer of Business, this Agreement shall be within less than two years of its expiration date, then the expiration date of this Agreement shall be automatically extended to such later date as shall be two years after such effective date. All dates for notice of termination or modification shall be adjusted accordingly.
2. The parties acknowledge that the Union's right to have this Agreement assumed by the Transferee prior to the Transfer of Business is essential to the Union's responsibility to represent its members. The parties further acknowledge that the Union will suffer irreparable injury if notice is not given or if the contract is not assumed as provided in this Article.

ARTICLE XXIV.

TERM OF AGREEMENT

This agreement shall, except as herein otherwise expressly stated, become effective as of March 18, 2002, and shall continue in force and effect until and including March 13, 2005, and thereafter, from year to year, unless either party gives to the other party written notice at least sixty (60) days prior to the expiration in 2005, or the expiration date in any year thereafter, of its intention to have this Agreement changed, altered, amended, or terminated.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

XEROGRAPHIC DIVISION

UNITE - LOCAL 14A

s/ Gary Bonadonna
Director
Rochester Regional Joint Board

s/ Jeanne Reitz
Business Representative
Rochester Regional Joint Board

s/ R. Clark
s/ R. Cocchiara
s/ R. Cropo
s/ J. Delue
s/ C. Demauro
s/ R. Johnson
s/ R. LaDue (General Shop Steward)
s/ V. Lane (President)
s/ F. Liberatore
s/ D. Roemer
s/ G. Tomasino
s/ J. VanLare
s/ J. White

XEROX CORPORATION

s/ Anne Mulcahy
Chief Executive Officer

s/ Ursula Burns
President
Document Systems & Solutions Group

s/ William Roscoe
Director
Corporate Industrial Relations

s/ L. Becker
s/ G. Deberardinis
s/ D. George
s/ J. Gill Hernandez
s/ D. Hall
s/ J. Pestka
s/ G. Rice
s/ J. Richman

SCHEDULE A

JOB CLASSIFICATIONS

JOB CODE	JOB TITLE	SENIORITY UNIT	LABOR GRADE	PAID LABOR GRADE EFFECTIVE 03/18/02	PAID LABOR GRADE EFFECTIVE 03/17/03	PAID LABOR GRADE EFFECTIVE 03/15/04
CA-1	Advance Production Assembler I	M	15	15	15	15
CA-2	Advance Production Assembler II	M	10	10	10	10
CH-1	Coater/Helper	M	8	8	8	8
D-02	Entry Level	X	Unc.	Unc.	Unc.	Unc.
D-10	Developer Materials Tester	X	14	14	14	14
D-13	Multi-Functional AMAT Operator	X	15	15	15	15
D-15	Quality Control Inspector	X	12	12	12	12
D-16	Manufacturing Operator	X	15	15	15	15
D-17	DFM Inspector	X	12	12	12	12
D-18	Q.C. Print Test/Repair Operator	X	13	13	13	13
D-19	Photo Q.C. Manufacturer	X	14	14	14	14
D-20	Q.C. Machine Test/Paper Test	X	14	14	14	14
D-23	Photoreceptor Assistant Operator	X	11	11	11	11
D-24	Photo Assistant Operator	X	11	11	11	11
D-42	Machinist MSMO	X	12	12	12	12
D-44	Developer Materials Manufacturing Assistant	X	11	11	11	11
D-45	Developer Materials Manufacturer	X	14	14	14	14
D-46	Developer Materials Machine Operator	X	5	5	5	5
D-47	Case Erector Operator	X	10	10	10	10
D-61	XOD/XAP Manufacturing Assistant	X	6	6	6	6
E-01	Entry Level	M, DD	Unc.	Unc.	Unc.	Unc.
F-22	Finisher II	M	11	11	11	11
F-23	Finisher III	M	14	14	14	14
F-24	Waste Treatment Operator	M	18	18	18	18
G-31	Assembler Tester Repairer	M	11	11	11	11

SCHEDULE A

JOB CLASSIFICATIONS

JOB CODE	JOB TITLE	SENIORITY UNIT	LABOR GRADE	PAID LABOR GRADE EFFECTIVE 03/18/02	PAID LABOR GRADE EFFECTIVE 03/17/03	PAID LABOR GRADE EFFECTIVE 03/15/04
J-01	Imaging Assembly Operator	I	Unc	Unc	Unc	Unc
J-25	Tool Crib Attendant	M	7	7	7	7
J-26	Maintenance Storekeeper	S	9	9	9	9
J-27	Air Tool Repair Worker & Crib Attendant	M	11	11	11	11
J-33	Packaging Machine Operator	DD	7	7	7	7
K-5	Corporate Rigger	M	12	12	12	12
L-7	Lubricator	S	9	9	9	9
L-10	Maintenance Helper	S	6	6	6	6
L-11	Cleaner Office & Production	C	Unc.	Unc.	Unc.	Unc.
L-16	Machine Repair Mechanic & Rebuilder B	S	14	20	21	22
L-17	Electrician B	S	16	21	22	23
L-18	Pipefitter B	S	14	20	21	22
L-19	Electrician A	S	19	24	25	26
L-20	Machine Repair Mechanic & Rebuilder A	S	17	23	24	25
L-21	Senior Groundskeeper	S	11	11	11	11
L-22	Pipefitter A	A	17	23	24	25
L-23	Welder & Sheet Metal Worker B	S	14	20	21	22
L-24	Welder & Sheet Metal Worker A	S	17	23	24	25
L-25	Vehicle Mechanic B	S	14	20	21	22
L-26	Vehicle Mechanic A	S	17	23	24	25
L-27	Carpenter B	S	12	18	19	20
L-28	Carpenter A	S	15	22	23	24
L-29	Groundskeeper	S	6	6	6	6
L-30	Maintenance Truck Driver	S	10	10	10	10
L-34	Maintenance Painter	S	13	19	20	21
L-37	Fire Extinguisher Servicer	S	9	9	9	9
L-39	Pipefitter Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-40	Vehicle Mechanic Apprentice	S	Unc.	Unc.	Unc.	Unc.

SCHEDULE A

JOB CLASSIFICATIONS

JOB CODE	JOB TITLE	SENIORITY UNIT	LABOR GRADE	PAID LABOR GRADE EFFECTIVE 03/18/02	PAID LABOR GRADE EFFECTIVE 03/17/03	PAID LABOR GRADE EFFECTIVE 03/15/04
L-41	Welder Sheet Metal Worker Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-42	Electrical Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-43	Carpenter Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-44	Machine Repair Mechanic & Rebuilder Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-45	Utility Worker	C	6	6	6	6
L-50	Maintenance Painter Apprentice	S	Unc.	Unc.	Unc.	Unc.
L-51	Coolant Recycling Operator	C	8	8	8	8
L-52	Machine Repair Mechanic & Rebuilder AA	S	19	25	26	27
LC-1	Liquid Coater	M	13	13	13	13
M-2	Stock Handler	M,X,DD	9	9	9	9
M-4	Truck Driver	M	11	11	11	11
M-6	Compactor Operator	C	5	5	5	5
P-1	Utility Finisher	M	8	8	8	8
P-11	Combination Welder	M	12	12	12	12
P-16	Press Operator II	M	13	13	13	13
P-17	Class A All Purpose Welder	M	14	14	14	14
P-14	Sheet Metal FMS Operator	M	18	18	18	18
PC-1	Powder Coater	M	13	13	13	13
Q-19	Messenger	S	10	10	10	10
Q-20	Executive Chauffeur	S	10	10	10	10
R-11	Machinist I	M	10	10	10	10
R-13	Machinist III	M	16	16	16	16
R-14	Machinist IV	M	20	20	20	20
RF-1	Machinist III Fuser Bus. Center	M	17	17	17	17
RF-3	Donor Roll Operator	M	18	18	18	18
S-29	Assembler Tester II	M	8	8	8	8
S-31	Assembler I	M	13	13	13	13
T-11	Cleaning Temporary	C	Unc.	Unc.	Unc.	Unc.

SCHEDULE A

JOB CLASSIFICATIONS

JOB CODE	JOB TITLE	SENIORITY UNIT	LABOR GRADE	PAID LABOR GRADE EFFECTIVE 03/18/02	PAID LABOR GRADE EFFECTIVE 03/17/03	PAID LABOR GRADE EFFECTIVE 03/15/04
I-20	Manufacturing Temporary	All	Unc.	Unc.	Unc.	Unc.
V-1	Valo Associate I	DD	Unc.	Unc.	Unc.	Unc.
V-2	Valo Associate II	DD	13	13	13	13
V-5	Gage & Instrument Inspector	M	18	18	18	18
V-6	Inspector I	M	13	13	13	13
W-5	Tool Jig Borer Operator	M	25	30	31	32
W-7	Model Maker & Experimental Mechanic Electrical AA	M	25	30	31	32
W-13	Tool Room Machinist	M	16	25	26	27
W-22	Cutter, Grinder & Checker	M	16	21	22	23
W-27	Tool Room Welder	M	19	25	26	27
W-28	Model Maker & Experimental Mechanic, Electrical Apprentice	M	Unc.	Unc.	Unc.	Unc.
W-29	Model Maker & Experimental Mechanic, Electrical A	M	23	28	29	30
W-30	Model Maker & Experimental Mechanic, Electrical B	M	21	26	27	28
W-50	Tool & Die: Experimental Mechanic AA	M	25	30	31	32
W-52	Tool & Die: Experimental Mechanic A	M	23	28	29	30
W-54	Tool & Die: Experimental Mechanic B	M	21	26	27	28
W-60	Tool & Die: Experimental Mechanic Apprentice	M	Unc.	Unc.	Unc.	Unc.
Z-2	Finishing Operator	H	5	5	5	5
Z-4	Offset Duplicator Operator	H	11	11	11	11

Schedule B-1

Hourly Base Rates 2002 - 2005

JOB LEVEL	Rates Effective as of:		
	<u>03/18/2002</u>	<u>03/17/2003</u>	<u>03/15/2004</u>
T11 Cleaner Temp	7.25	7.47	7.69
T20 Assembly Temp	9.41	9.69	9.98
Part Time Wkr	9.41	9.69	9.98
L11 Cleaner	9.66	9.95	10.25
Entry Level	12.07	12.43	12.80
VALO I	13.49	13.89	14.31
3	18.06	18.60	19.16
5	18.75	19.31	19.89
6	19.04	19.61	20.20
7	19.43	20.01	20.61
8	19.76	20.35	20.96
9	20.11	20.71	21.33
10	20.43	21.04	21.67
11	20.80	21.42	22.06
12	21.15	21.78	22.43
13	21.47	22.11	22.77
14	21.82	22.47	23.14
15	22.16	22.82	23.50
16	22.50	23.18	23.88
17	22.84	23.53	24.24
18	23.19	23.89	24.61
19	23.43	24.13	24.85
20	23.66	24.37	25.10
21	23.95	24.67	25.41
22	24.15	24.87	25.62
23	24.38	25.11	25.86
24	24.65	25.39	26.15
25	24.86	25.61	26.38
26	25.11	25.86	26.64
27	25.40	26.16	26.94
28	25.57	26.34	27.13
29	25.89	26.67	27.47
30	26.05	26.83	27.63
31	26.29	27.08	27.89
32	26.53	27.33	28.15

Hourly Base Rates 2002 - 2005

JOB LEVEL	Rates Effective as of:		
	<u>03/18/2002</u>	<u>03/17/2003</u>	<u>03/15/2004</u>

Schedule B-2

Entry Level Rate Range

<u>Entry Level</u>	<u>Hire Rate</u>	<u>12 Mos</u>	<u>24 Mos</u>	<u>36 Mos</u>
3/18/2002	9.06	10.11	11.17	12.07
3/17/2003	9.33	10.41	11.51	12.43
3/15/2004	9.61	10.72	11.86	12.80

Schedule B-3

Skilled Trades Rate Ranges

	<u>Hire Rate</u>	<u>12 Mos</u>	<u>24 Mos</u>
Skilled Trades - 18			
3/18/2002	\$ 19.71	22.03	23.19
3/17/2003	\$ 20.31	22.70	23.89
03/15/2004	\$ 20.92	23.38	24.61
Skilled Trades - 19			
3/18/2002	\$ 19.92	22.26	23.43
3/17/2003	\$ 20.51	22.92	24.13
03/15/2004	\$ 21.12	23.61	24.85
Skilled Trades - 20			
3/18/2002	\$ 20.11	22.48	23.66
3/17/2003	\$ 20.71	23.15	24.37
03/15/2004	\$ 21.34	23.85	25.10
Skilled Trades - 21			
3/18/2002	\$ 20.36	22.75	23.95
3/17/2003	\$ 20.97	23.44	24.67
03/15/2004	\$ 21.60	24.14	25.41
Skilled Trades - 22			
3/18/2002	\$ 20.53	22.94	24.15
3/17/2003	\$ 21.14	23.63	24.87
03/15/2004	\$ 21.78	24.34	25.62
Skilled Trades - 23			
3/18/2002	\$ 20.72	23.16	24.38
3/17/2003	\$ 21.34	23.85	25.11
03/15/2004	\$ 21.98	24.57	25.86
Skilled Trades - 24			
3/18/2002	\$ 20.95	23.42	24.65
3/17/2003	\$ 21.58	24.12	25.39
03/15/2004	\$ 22.23	24.84	26.15

Schedule B-3

Skilled Trades Rate Ranges

Skilled Trades - 25				
3/18/2002	\$	21.13	23.62	24.86
3/17/2003	\$	21.77	24.33	25.61
03/15/2004	\$	22.42	25.06	26.38
Skilled Trades - 26				
3/18/2002	\$	21.34	23.85	25.11
3/17/2003	\$	21.98	24.57	25.86
03/15/2004	\$	22.64	25.31	26.64
Skilled Trades - 27				
3/18/2002	\$	21.59	24.13	25.40
3/17/2003	\$	22.24	24.85	26.16
03/15/2004	\$	22.90	25.59	26.94
Skilled Trades - 28				
3/18/2002	\$	21.73	24.29	25.57
3/17/2003	\$	22.39	25.02	26.34
03/15/2004	\$	23.06	25.77	27.13
Skilled Trades - 29				
3/18/2002	\$	22.01	24.60	25.89
3/17/2003	\$	22.67	25.34	26.67
03/15/2004	\$	23.35	26.10	27.47
Skilled Trades - 30				
3/18/2002	\$	22.14	24.75	26.05
3/17/2003	\$	22.81	25.49	26.83
03/15/2004	\$	23.49	26.25	27.63
Skilled Trades - 31				
3/18/2002	\$	22.35	24.98	26.29
3/17/2003	\$	23.02	25.73	27.08
03/15/2004	\$	23.71	26.50	27.89
Skilled Trades - 32				
3/18/2002	\$	22.55	25.20	26.53
3/17/2003	\$	23.23	25.96	27.33
03/15/2004	\$	23.93	26.74	28.15

SCHEDULE C

LIFE INSURANCE, SICKNESS AND ACCIDENT, LONG-TERM DISABILITY

MEDICAL AND DENTAL

FLEXIBLE BENEFIT PROGRAMS

This Schedule is intended as an outline only, and the benefits described are subject to the detailed terms and conditions of the actual plans or contracts, as well as of applicable state and federal laws.

I. EMPLOYEE LIFE INSURANCE PLAN

The following is effective 01/01/03:

- A. The Life Insurance Plan covers all full-time employees on their first day at work.
- B. Enrollment will be through the annual Matter of Choice process.
- C. Employee costs are based on employee's age and annualized straight time pay.
- D. Basic Employee Life Insurance
 1. Xerox pays 100% of premium cost for term coverage for 2x pay
 2. Employees have the following options:
 - No coverage - with "cash back" in the form of extra Benefits Allowance dollars, which can be applied towards other benefits.
 - 1x base pay, up to \$50,000 - with "cash back" in the form of extra Benefits Allowance dollars which can be applied towards other benefits.
 - 2x base pay, up to \$200,000 - no employee cost.
 3. \$6,000 retiree life insurance policy for employees who are retired on 12/31/02, active current employees as of 12/31/02 and employees on layoff status 12/31/02 who are subsequently recalled within their recall period.

E. Optional Employee Life Insurance

1. Employee may purchase additional 1x through 10x in 1x base pay increments (\$5,000,000 maximum coverage, salary up to \$500,000) at his or her own cost.
2. Employee may purchase 1x base pay optional coverage with no evidence of insurability during open enrollment, 2003 only. Optional coverage over 1x base pay will require evidence of insurability, and will be at the employee's own cost.
3. During future open enrollments after open enrollment 2003, any increase in coverage will require evidence of insurability.
4. New hires as of January 1, 2003, may purchase up to 3x base pay coverage without evidence of insurability.

- F. In all cases where evidence of insurability is required, such coverage changes will not take effect until the required documents have been received and approved by the carrier.

Termination of Cash Value Program

The 1995 Cash Value Insurance Program option will terminate on 12/31/02. Employee participants will receive the cash value of their account balances during 2003.

II. SICKNESS AND ACCIDENT PLAN

- A. Employees become eligible for benefits on their first day at work following the date of completion of three (3) months of continuous service.
- B. Benefits shall commence on the first day of disability and shall continue for the earlier of the length of the disability, or
1. Until the end of the twenty-sixth week in the case of employees who are eligible for extended disability benefits, as provided in Article III., below.
 2. Until the end of the twenty-sixth week in the case of employees who are not eligible for extended disability benefits, as provided in Article III., below.

- C. For incumbents and employees with recall rights as of June 7, 1994, the amount of weekly benefits shall be 80% of an employee's straight-time hourly earnings for a normal workweek of forty (40) hours based upon the employee's straight-time hourly rate in effect on the last day of work preceding the disability for which the benefits are payable.
- D. For employees hired on June 7, 1994 and beyond, the amount of weekly benefits shall be based on the schedule below and will be based on the employee's straight-time hourly earnings for a normal workweek of forty (40) hours based upon the employee's straight-time hourly rate in effect on the last day of work preceding the disability for which the benefits are payable.

<u>Service Requirement</u>	<u>Benefit (% of Pay)</u>
Less than 1 year	50%
1 year but less than 4 years	67%
4 or more years	80%

- E. No benefits shall be payable unless illness or injury is verified by a duly licensed practicing physician. (A physician shall be defined as a duly licensed Medical Doctor ((M.D.)), Doctor of Osteopathy ((D.O.)), Podiatrist ((D.P.M.)), Chiropractor, Optometrist or Psychologist, acting within the scope of his/her practice.) Any claim of questionable validity shall be subject to challenge either by the Company, or by the insurance carrier, which provides the coverage of this benefit.
- F. Employees who receive weekly income benefits for lost-time accidents which occurred prior to June 7, 1994 under the terms of the Workers' Compensation Act, or required no-fault automobile insurance, shall receive additional benefits under this plan to make total benefits equal to the level provided for by this plan. The basis of calculating benefits under the terms of this paragraph shall be the same as the basis used to calculate benefits in II., C., above.

- G. Employees who receive weekly income benefits for lost-time accidents, which occur on June 7, 1994 and beyond, under the terms of the Workers' Compensation Act, or required no-fault automobile insurance, shall be paid in conformance with New York State regulations which provide that an employee shall receive 67% of his/her straight time hourly earnings for a normal work week of forty (40) hours based upon the employee's straight-time hourly rate in effect on the last day of work preceding the disability for which the benefits are payable.
- H. Employees who receive Sickness & Accident benefits, upon returning to work, will receive the balance of either 50%, 33% or 20%, as appropriate, pursuant to paragraph C, and the payment schedule in paragraph D, above, of their straight-time hourly earnings for a normal work day of eight (8) hours, for each Company holiday that occurs during the Sickness & Accident period.
- I. Employees who receive weekly income benefits for lost time accidents which occur on June 7, 1994 and beyond, under the terms of the Workers' Compensation Act or required no-fault automobile insurance, and receive 67% of his/her straight-time hourly earnings, as provided for in G, above, upon return to work will receive 33% of their straight-time hourly earnings for a normal work day of eight (8) hours for each Company holiday that occurs during the period of payment under this plan.

III. LONG-TERM DISABILITY PLAN

- A. Employees are eligible for Long Term Disability as of the first day at work. Benefit payments shall begin after employees have been absent from work for twenty six (26) weeks.
- B. Long Term Disability is the inability of an employee to be employed in any substantial and gainful work inside of the Company because of personal impairment caused by injury or illness, occupational or non-occupational. No benefits shall be payable unless illness or injury is verified by a duly licensed practicing physician and the employee makes application for Social Security and appeals any adverse decision from Social Security. Any claim of questionable validity shall be subject to challenge by the Company.

- C. The amount of weekly benefits shall be equal to 60% of an employee's straight-time hourly earnings for a normal work week of forty (40) hours, based upon the employee's straight-time hourly rate in effect on the last day of work preceding the disability for which the benefits are payable.
- D. The 60% level shall be reached through a combination of the Primary Insurance Amount of Social Security disability benefits, plus Workers' Compensation benefits, and/or required no-fault automobile insurance benefits, and/or benefits of other government disability programs, plus benefits provided under this plan. Future increases in the level of Social Security disability benefits, Workers' Compensation benefits, or other benefits shall accrue to employees and shall not be used to reduce the benefit provided under this plan. The maximum benefit from all these sources cannot exceed 100% of the employee's straight time hourly earnings as set forth in C. above.
- E. Employees who are absent due to disability, beginning on and after July 1, 1986, shall receive benefit payments for eighteen (18) months, or as long as they continue to receive Social Security disability benefits. Benefit payments made by the Company during the first eighteen (18) months shall be repaid by the employee to the extent that a retroactive Social Security award is received.
- F. Benefits shall cease upon the occurrence of any of the following events:
 - 1. At the end of 18 months if no Social Security award is received; or
 - 2. The employee fails to apply for a Social Security award or fails to appeal an unfavorable decision; or
 - 3. The employee is no longer disabled; or
 - 4. The employee reaches age 65.
- G. Employees who do not qualify for Social Security/Long Term Disability after 36 months and who are not seeking an appeal or who have exhausted the appeals process at that time, shall no longer be employees of the Company.

- H. Employees receiving benefit payments under the Long-Term Disability Plan for the length of such disability, but in no event beyond sixty-five (65) years of age -- shall receive:
 - 1. Credit for service and a 5% credit to the Cash Balance Retirement Account under the terms of the Retirement Income Guarantee Plan as though they were active employees.

IV. FLEXIBLE BENEFIT PROGRAMS

- A. An employee is eligible to participate in the Flexible Benefit Programs if he/she is a permanent, full-time employee or a part-time employee working at least 20 hours a week.
- B. On January 1 of each year the Company provides each eligible employee with a Benefits Allowance to purchase benefits offered under the Flexible Benefit Programs. The Benefits Allowance an employee receives is based on the medical coverage category that the employee chooses and also includes an amount equal to the \$400 Flexible Benefit Account contribution that was provided in the past.
- C. Part-time employees working at least 20 hours a week but less than 30 hours a week on a regular basis receive a Benefits Allowance equal to 50% of the amount provided for full-time employees. (Part-time employees working at least 30 hours a week or more on a regular basis receive the full allowance.)
- D. New hires receive a reduced Benefits Allowance during their first year of hire. They are eligible for the full allowance amount as of January 1 of the year following their date of hire.

- E. An employee may choose from a list of benefit options offered within the Flexible Benefit Programs which may include the following:

Medical
Dental
Vision Care Plan
Salary Redirection Accounts
Employee Life Insurance
Optional Employee Life Insurance
Accident Insurance
Dependent Life Insurance

Each of the benefits listed above has its own annual cost.

- F. If the total annual cost of all of the employee's choices is greater than the Benefits Allowance, payroll deductions will be required. Deductions for medical, dental, vision care, salary redirection, and accident insurance will be on a before-tax basis; deductions for optional employee life insurance and dependent life insurance will be on an after-tax basis.
- G. If the total annual cost of all of the employee's choices is less than the Benefits Allowance, the employee may elect to salary redirect (see Section IX) the difference or, if not, the employee will receive the difference as taxable additions to pay over the course of the year. If the employee fails to remain employed for the full year, the employee shall forfeit the unpaid balance.
- II. Subsidized vs. Non-Subsidized Stepchild Dependents

Subsidized and non-subsidized stepchildren may be enrolled in any of the Matter of Choice benefit plans available to eligible dependents.

To be considered subsidized, a stepchild must first qualify as a tax dependent under Internal Revenue Code Section 152 and must also meet the following criteria:

- (1) Both natural parents are deceased, or
- (2) Neither natural parent is earning income or receiving child support and therefore cannot purchase health coverage for their child(ren).

Xerox will provide a Benefits Allowance for and treat "subsidized" stepchildren in the same manner as they would for any other eligible dependent.

Stepchildren who qualify as tax dependents but do not meet the subsidized requirements are considered non-subsidized. Employees pay the full cost (at the Xerox rate) of coverage for non-subsidized stepchildren.

I. Coverage For Domestic Partners

Coverage for most Xerox plans is available to eligible domestic partners of active, unmarried Xerox employees. Certain HMOs do not cover domestic partners, however. To be considered an eligible domestic partner, an employee's domestic partner must comply with the definition indicated in Article VIII. C. Death in Family

V. MEDICAL CARE PLAN

- A. An employee becomes eligible for participation in the plan on the employee's first day at work, provided that the employee has signed The Plan covers dependents of eligible employees. Dependents are defined as the employee's spouse, eligible domestic partner as defined in Article VIII. C., and the employee's unmarried children until their 19th birthday, or until their 23rd birthday if such children are full-time students, and eligible stepchildren as defined in Schedule C. IV., II. Children dependent on the employee because of physical or mental incapacity shall continue to be covered beyond the age limit. If a family member is also covered by another company's insurance plan, there is a procedure that reconciles the two and avoids duplication of benefits payments. The surviving spouse of a deceased employee, in addition to any dependent children, shall continue to be covered for two (2) years. In the event of the death of an employee, Xerox will pay part of the continuation coverage cost for the first 24 months. The spouse or dependent will need to pay only the amount an active employee would have contributed for dependent coverage. This subsidized coverage is not available to domestic partners.
- B. Subject to a deductible of 1% of an employee's straight-time hourly rate at the beginning of each year, which is annualized, per calendar year, for the employee and covered dependents, the following benefit payments are provided if the expenses are

medically necessary and otherwise covered under the terms of the plan:

1. Hospital, surgical, and other medical care expenses at 80% of reasonable and customary charges.
2. Expenses for psychiatric care on an out-patient basis at 50% after deductible.

C. Hospital, surgical, and other medical care expenses include:

1. Hospital room and board at the semi-private accommodations. Extended care in a hospital-related facility is covered for persons previously hospitalized for three (3) days or more if such extended care commences within two (2) weeks of such previous hospitalization. However, if a patient has a contagious disease requiring isolation, or is suffering from terminal illness requiring hospitalization, full private room coverage shall be provided.
2. Hospital services for such items as drugs, medicines, dressings, blood and blood transfusions, oxygen, casts, splints, X-rays, lab tests, and use of operating room.
3. Doctors' hospital or house calls and office visits for treatment of conditions not requiring surgery.
4. Surgeons' fees, including necessary consultants and anesthesiologist.
5. Maternity costs.
6. Hospital out-patient costs including emergency room charges, and, if recommended by a doctor, diagnostic laboratory and X-rays, physiotherapy, and radiation therapy.
7. Doctors' emergency treatment, such as non-surgical emergency accident care rendered by a physician.
8. Up to 45 days annually in-hospital care for psychiatric treatment with a substance abuse limitation of two (2) occurrences per lifetime.

9. Diagnostic X-rays and laboratory tests performed in a doctors' office or clinic.
10. Prescription drugs.
11. Required private duty nursing care and/or physiotherapy, not rendered by a close relative.
12. Orthodontic services within one (1) year of an accident.
13. Local ambulance service.
14. Artificial limbs and eyes.
15. Electronic heart pacemaker.
16. Casts, splints, braces, and crutches.
17. Oxygen and equipment rental.
18. Rental of wheelchair, hospital bed, or iron lung.
19. Chiropractic treatment.

D. The following expenses are not covered:

1. Dental services and treatments (except as provided in C., 12.. above, and VIII., below).
2. Surgery or treatment for cosmetic purposes.
3. Eyeglasses, contact lenses and hearing aids.
4. Routine health check-ups.
5. Routine foot care.
6. Injury caused by an act of war.
7. Expenses incurred before employee's effective date of insurance.
8. Expenses which are payable under any Workers' Compensation Law.

9. Expenses which are not certified as necessary by a duly licensed physician.
 10. Expenses for care rendered by or in any medical facility of the United States government, or any state government, or political sub-division thereof.
 11. Custodial care.
 12. Nursing care rendered by a close relative.
 13. That portion of any expense which is in excess of what is necessary, reasonable, and customary.
 14. Expenses paid by required no-fault automobile insurance.
 15. Expenses reimbursed by another group medical plan, or Medicare.
- E. The 80% referred to in V., B., 1., above, shall be increased to 100% at such time as an employee's out-of-pocket costs amount, within a calendar year, to 4% of annual earnings.
- Out-of-pocket costs are defined as the deductible, described in V., B., above, plus the 20% not paid by the Plan as described in V., B., 1., above.
- F. The price tags for the Xerox Medical Plan will result in an employee deduction that reflects that any increased premium costs of dependent coverage over and above such premium costs charged on January 1, 1984, shall be shared one-half (1/2) by the Company and one-half (1/2) by the employees who elect dependent coverage.

VI. HEALTH MAINTENANCE ORGANIZATIONS

- A. Employees shall be offered the option to become members of the Blue Advantage/Group Health-Health Maintenance Organization (HMO), the Preferred Care Health Maintenance Organization (HMO), or the Medical Care Plan described in V. above. Election of any plan shall be for the full calendar year subject to the provisions of Article VIII., O., of the Basic Labor Agreement.
 1. The continuation of this option shall be contingent on the approval by the New York State Department of Insurance of those provisions that allow the Sidney Hillman Health

Center to be a separate provider of those services otherwise provided by the HMOs.

2. Employees who elect to become members of an HMO must do so during the appropriate annual enrollment period.
- B. The HMO price tags shall be calculated annually to result in an employee deduction comparable to the HMO costs minus the costs that the Company would have paid for the employee if he or she had elected coverage under the Medical Care Plan described in V. above.

VII. MEDICAL OPT-OUT

- A. An employee may choose not to have medical coverage through the Company if the employee has medical coverage from another source, for example, through a spouse's employer. An employee choosing "no coverage" can spend the Benefits Allowance on other benefits or take the allowance dollars as taxable additions to pay over the course of the year. An employee choosing "no coverage" will have to certify each year that the employee has other coverage by identifying the source of this coverage and the name of the insurance company. Employees failing to certify will not be eligible for the medical opt-out provision.

VIII. DENTAL CARE PLAN

- A.
1. Dependents are defined as the employee's spouse, eligible domestic partner as defined in Article VIII. C., and the employee's unmarried children under nineteen (19) years of age, or under twenty-three (23) years of age if such children are full-time students in an accredited institution of higher learning, and eligible stepchildren as defined in Schedule V. IV., II. Children dependent upon the employee because of their physical or mental incapacity shall continue to be covered beyond the specified age limits.
 2. The surviving spouse of a deceased employee, in addition to any dependent children, shall continue to be covered for two (2) years from the date of the employee's death.

- B. If any family member is also covered by another employer's insurance plan, benefit payments shall be subject to a procedure which shall avoid duplication of payments.
- C. For dental care under QualiDent, the deductible is \$25.00 per member per calendar year with a \$50.00 family maximum. The following benefit payments are provided if the expenses are reasonable and customary:
 - 1. Preventative dental care at 100% (90% for a non-participating dentist), not subject to deductible.
 - 2. Basic dental care at 100% (90% for a non-participating dentist), subject to deductible.
 - 3. Major dental care at 50%, subject to deductible.
 - 4. Orthodontia for children under age 19 at 100% (80% for a non-participating dentist) up to a maximum benefit of \$1,500, per person during his/her lifetime.
- D.
 - 1. Preventative dental care includes:
 - Cleaning.
 - X-rays.
 - Fluoride treatment (under age 19)
 - 2. Basic dental care includes:
 - Fillings.
 - Extractions.
 - Root canal therapy.
 - Treatment of gum diseases.
 - Oral surgery.
 - 3. Major dental care includes:
 - Inlays.
 - Crowns.
 - Bridges.
 - Dentures.
 - Crown and bridge repairs.

- E. For either basic or major dental care, if the treatment proposed by the dentist will cost more than \$300, the dentist must submit, before treatment begins, the treatment plan to the Xerox claims agent, with supporting X-rays, for predetermination of benefits.

Predetermination is not required in the case of emergency treatment.

- F. There is also a capitated dental option, Dentrust, available that requires the selection of a primary care dentist and provides a greater reimbursement level. The plan does not provide orthodontia coverage.

- G. Exclusions and limitations are as follows:

1. Orthodontic services are excluded (capitated dental option only).
2. If two (2) or more procedures are equally effective, then the benefit payable is based on the least costly procedure.
3. Expenses for simple oral examination or filling out claim forms are excluded.
4. Antiplaque tooth care training is excluded.
5. Scaling and cleaning more than once every six (6) months are excluded.
6. Stannous fluoride treatments more than once a year and for children eighteen (18) years of age and older is excluded.
7. Sodium fluoride is limited to a single treatment and only to children under the age of four (4) years.
8. Full-mouth X-rays are covered only once every three (3) years, and bitewing or partial X-rays are covered only once every six (6) months.
9. General anesthesia is covered only in the case of oral surgery.
10. Gold is approved only when teeth cannot be restored with a less costly filling material.

11. Treatment is not covered if compensated by Workers' Compensation, other group insurance, no-fault automobile insurance, a government benefit, or if the need for treatment results from a war injury.
 12. Coverage for the necessary replacement of dentures (including bridges and crowns) is limited to one (1) reimbursement every five (5) years. However, benefits are not payable for the replacement of lost or stolen dentures.
 13. Coverage is not provided for the replacement of teeth that were removed or lost prior to an individual's participation in the plan.
 14. Services for cosmetic purposes are not covered unless they are necessary as a result of an accident. Facings on molars are considered to be cosmetic.
 15. The correction of congenital and developmental malfunctions is not covered.
- H. The employee's share of increased premium costs for dependent coverage shall be paid as provided for in V., F., of this Schedule.

IX. SALARY REDIRECTION ACCOUNTS

- A. To the extent allowed by law, employees may elect to redirect up to \$5,000 of pay into the Health Care Account to fund health care expenses with pre-tax dollars.
- B. To the extent allowed by law, employees may elect to redirect up to \$5,000 of pay into a Dependent Care Account to fund Dependent Care expenses with pre-tax dollars.
- C. The employee must make the elections as provided for in IX. A and IX. B of this schedule during the enrollment period preceding the year in which it is to be effective.
- D. With regard to funds in the Health Care Account and the Dependent Care Account:
 1. They may be used throughout the year, on an income tax-free basis, for reimbursement of health care related or dependent care expenses, and

2. To the extent required by law any unused balance at the end of each year shall be forfeited and such forfeited monies shall be applied to any health care, dependent care or such other benefit programs that may be implemented.

F. Health Care expenses eligible for reimbursement from the Health Care Account include the following:

1. Medical and Dental Plan deductibles as described in V., B. and VIII., C.
2. Those Medical/Dental expenses which are not reimbursed in full as indicated in V., B., 1. and 2 and VIII., C.
3. Other health care related expenses not covered by the Medical or Dental or Vision Plans, such as:

Routine medical check-ups

Eyeglasses/contacts

Hearing aids

Orthodontia

Cosmetic surgery, if surgically necessary to correct a deformity arising from or related to a hereditary abnormality, a personal injury resulting from an accident or trauma, or disfiguring disease.

F. Dependent Care expenses eligible for reimbursement from the Dependent Care Account include the following:

1. Expenses incurred by the employee to enable the employee and spouse to be gainfully employed or to look for employment while caring for a child under age 13 or any other dependent who is physically or mentally incapable of caring for himself or herself, provided he or she spends at least eight hours a day in the employee's home. To be eligible for payment under this plan, expenses must be for individuals the employee claims as dependents for income tax purposes.
2. Expenses may be incurred for services provided either inside or outside the employee's home. Expenses that qualify include cost of services for the dependent's well-being and protection and household services, such as those provided by a cook or housekeeper, if the services were partly for the care of the dependent.

3. Recipients of dependent care payments cannot be a spouse or children of the employee under age 19 or any related individual claimed as a dependent of the employee.

- G. Reimbursement for eligible tax-free Health Care or Dependent Care expenses may be requested by completing a special claim form and all requests for reimbursement of costs incurred during a calendar year must be submitted before July 1 of the following year. Claims for covered Medical/Dental expenses may also be submitted for any amount through the Medical or Dental Plan claims process.

X. VISION CARE PLAN

- A. An employee becomes eligible for participation in the plan on the employee's first day at work. The Plan covers dependents of eligible employees. Dependents are defined as the employee's spouse, eligible domestic partner as defined in Article VIII, C., and the employee's unmarried children until their 19th birthday, or until their 23rd birthday if such children are full-time students and wholly dependent upon the employee for support and maintenance, and stepchildren as defined in Schedule C, IV., H. Children dependent on the employee because of physical or mental incapacity shall continue to be covered beyond the age limit.
- B. If the employee chooses vision care coverage, the employee's decision must stay in effect for two plan years. The coverage category will remain the same during both plan years.
- C. For the employee and covered dependents, the following benefit payments are provided during the two year participation subject to dollar limitations of the plan:
 1. One eye exam
 2. Either one pair of frames and lenses or one pair of contact lenses

XI. ACCIDENT INSURANCE

- A. Accident insurance makes a benefit payment to the employee's beneficiary if the employee should die as the result of an accident. This coverage also pays benefits to the employee in the event of certain serious accidental injuries such as dismemberment or

blindness. Accident insurance can also be purchased for the employee's eligible dependents. Accident insurance benefits are in addition to any benefits received from the employee life insurance program.

- I. Accident Insurance is a non-subsidized, employee pay-all benefit.
- J. An employee becomes eligible for participation in the plan on the employee's first day at work.
- D. Coverage Options:
 - 1. Coverage purchased in units of \$50,000.
 - 2. Maximum coverage:
 - For employee: up to 20 units (\$1,000,000)
 - For spouse/domestic partner: up to 10 units (\$500,000)
 - For children: up to 2 units (\$100,000)

XII. DEPENDENT LIFE INSURANCE

- A. Dependent Life Insurance is a non-subsidized, employee pay-all benefit.
- B. An employee becomes eligible for participation in the plan on the employee's first day at work.
- C. Employees can choose to cover their spouse/domestic partner and/or unmarried children under age 19 (age 23 if a full time student) with dependent life insurance, and stepchildren as defined in Schedule C., IV. 11.

- D. For spousal/domestic partner coverage, the employee cost is based on the employee's age and amount of coverage selected.

Spousal/Domestic Partner Coverage Options

-No Coverage

-\$35,000

-\$50,000

-\$75,000

-\$100,000

- E. The cost for qualifying child coverage is not dependent on age, but only amount of coverage selected.

Child Coverage Options

-No Coverage

-\$5,000

-\$10,000

- F. The employee is automatically the beneficiary for any benefits payable from this coverage.

- G. Employee may purchase a one level increase from either no coverage to \$35,000 or \$35,000 to \$50,000 without evidence of insurability during open enrollment, 2003 only. During future open enrollments after 2003, any increase in coverage will require evidence of insurability.

- H. New Hires can purchase \$35,000 of coverage without evidence of insurability. Anything over \$35,000 will require evidence of insurability, and all future increases in coverage will require evidence of insurability.

- I. In all cases where evidence of insurability is required, such coverage changes will not take effect until the required documents have been received and approved by the carrier.

SCHEDULE D
HOLIDAY SCHEDULES
(With the exception of Distribution, Tool Room/Model Shop,
Supplies, Maintenance, and Offset Printing)

2003

Wednesday, January 1	New Year's Day
Friday, April 18	Good Friday
Monday, May 26	Memorial Day
Friday, July 4	Independence Day
Monday, July 7	Fixed Floating Holiday
Monday, September 1	Labor Day
Thursday, November 27	Thanksgiving Day
Friday, November 28	Day After Thanksgiving
Wednesday, December 24	Fixed Floating Holiday
Thursday, December 25	Christmas Day
Friday, December 26	Fixed Floating Holiday
Wednesday, December 31	Fixed Floating Holiday

2004

Thursday, January 1	New Year's Day
Friday, January 2	Fixed Floating Holiday
Friday, April 9	Good Friday
Friday, May 28	Fixed Floating Holiday
Monday, May 31	Memorial Day
Friday, July 2	Fixed Floating Holiday
Monday, July 5	Independence Day Observed
Monday, September 6	Labor Day
Thursday, November 25	Thanksgiving Day
Friday, November 26	Day After Thanksgiving
Friday, December 24	Christmas Day Observed
Friday, December 31	Fixed Floating Holiday

2005

Monday, January 3	New Year's Day Observed
Friday, March 25	Good Friday
Friday, May 27	Fixed Floating Holiday
Monday, May 30	Memorial Day
Friday, July 1	Fixed Floating Holiday
Monday, July 4	Independence Day
Tuesday, July 5	Fixed Floating Holiday
Friday, September 2	Fixed Floating Holiday
Monday, September 5	Labor Day
Thursday, November 24	Thanksgiving Day
Friday, November 25	Day After Thanksgiving
Monday, December 26	Christmas Day Observed

SCHEDULE E

SUPPLEMENTAL UNEMPLOYMENT BENEFITS (SUB) PLAN

This Schedule is intended as an outline only, and the benefits described are subject to the detailed terms and conditions of the actual plan.

- I. The purpose of this Plan is to provide covered employees with supplemental income in the event of involuntary layoff.
- II. Benefits are usually paid only when State Unemployment Insurance benefits are paid.
- III.
 - A. The amount of benefits shall be 90% of an employee's after-tax weekly straight-time pay, less State Unemployment Insurance benefits, and less \$2.50 per day, or \$12.50 per week for work-related expenses.
 - B. For purposes of determining benefits under this Plan, weekly after-tax pay shall be based upon whatever marital status employees actually recorded on line item 3 on their most recently filed W-4 Employee's Withholding Allowance Certificate, as follows:

<u>Marital Status on W-4</u>	<u>Assumed Withholding Allowance</u>
Single	1
Married but withholding at the higher single rate	1
Married	4

- IV. Subject to the limitations in V., below, the duration of benefits shall be in accordance with the following table:

<u>Length of Service</u>	<u>Maximum Number of Weeks of Supplemental Unemployment Benefits In a Consecutive 52-Week Period</u>
Less than 1 year	0
1 year but less than 2	3

2 years but less than 4	6
4 years but less than 6	11
6 years but less than 8	16
8 years but less than 10	21
10 years or more	26

- V. If the fund is below the maximum funding level as described in VI., below, the number of weeks specified in IV., above, shall be reduced by multiplying the applicable maximum number of weeks of benefits by the appropriate ratio as determined in the following table:

<u>Fund as a Percent of Maximum Funding Level</u>	<u>Ratio of Reduced to Maximum Weeks of Entitlement</u>
75% or more	1.0
62.5% but less than 75%	.8
50% but less than 62.5%	.6
37.5% but less than 50%	.4
25% but less than 37.5%	.2
Less than 25%	.0

Fractional weeks shall be rounded to the next higher full week.

- VI. The Company shall establish and maintain a SUB Trust Fund. For each employee in the Bargaining Unit, the Company shall contribute to the Trust Fund the amount of \$.0775 for each hour paid until the maximum funding level has been reached, after which contributions shall be suspended. The maximum funding level shall be defined as that amount necessary to pay full SUB to 8% of the eligible employees in each pay grade and each length of service category indicated in IV., above. Whenever the fund level falls below the maximum funding level, contributions by the Company shall be resumed at the established rate.
- VII. Employees shall not be eligible for SUB if they:
- A. Voluntarily terminate their employment.
 - B. Are discharged for cause.
 - C. Are subject to disciplinary layoff.
 - D. Voluntarily go on layoff.
 - E. Retire.
 - F. Go on leave-of-absence.

- G. Are absent and receive any other pay-replacement benefits, such as Sickness and Accident, Long-Term Disability, or Workers' Compensation.
 - H. Die.
 - I. Are recalled to work, but fail to return.
 - J. Become entitled to severance pay.
- VIII. Provisions of this plan are subject to the approval of the I.R.S., Department of Labor, or other governmental entities having jurisdiction over such plan.

SCHEDULE F
SEVERANCE PAY PLAN

In the event the Company terminates a major plant operation or relocates such an operation more than thirty-five (35) miles from the city of Rochester and does not offer employment within thirty-five (35) miles from the City of Rochester, employees severed as a result of such termination or relocation shall be entitled to severance pay in accordance with the following provisions:

I. ELIGIBILITY

All employees with one (1) or more years of service with the Company are eligible.

II. BENEFITS

The weekly severance pay benefit, which is calculated at forty (40) hours times an employee's straight-time hourly rate, as defined in Article V., F., 11., of the Basic Labor Agreement shall be provided in accordance with the following schedule:

<u>Length of Service</u>	<u>Number of Weeks of Severance Pay Benefits</u>
Less than 1 year	0
1 year but less than 2	1
2 years but less than 3	2
3 years but less than 4	3
4 years but less than 5	4
5 years but less than 6	5
6 years but less than 7	6
7 years but less than 8	7
8 years but less than 9	8
9 years but less than 10	9
10 years but less than 11	10
11 years but less than 12	11
12 years but less than 13	12
13 years but less than 14	13
14 years but less than 15	14
15 years but less than 16	15
16 years but less than 17	17
17 years but less than 18	19
18 years but less than 19	21
19 years but less than 20	23
20 years but less than 21	25

21 years but less than 22	27
22 years but less than 23	29
24 years but less than 25	33
25 years but less than 26	35
26 years but less than 27	37
27 years but less than 28	39
28 years but less than 29	41
29 years but less than 30	43
30+	45

III. PAYMENTS

Severance pay benefits shall be paid weekly beginning with the second week following severance of employment.

IV. REHIRES WITHIN THIRTY-FIVE (35) MILES

- A. Employees who, after the date of severance, are rehired or offered re-employment within thirty-five (35) miles from the City of Rochester, shall not be entitled to any of the weekly payments falling due after the date on which they are rehired or offered re-employment. Such employees shall not be required to return payments already received, but a rehired employee's severance pay, in the event of a subsequent termination or relocation, shall be reduced by the amount of payments already received.
- B. Employees severed, as described in IV., A., above, if rehired within one (1) year, shall be given full Company seniority, including the period of their severance.

V. OFFERS OF EMPLOYMENT BEYOND THIRTY-FIVE (35) MILES

- A. Employees who are about to be severed, or who are actually severed, from employment under the terms of this Schedule shall be given the choice of accepting other employment with the Company, as further provided herein, or of receiving severance pay benefits.
- B. Offers of employment shall be subject to the following conditions:
 1. A vacancy must exist in a facility which is either represented by the Union, or which is not represented by any union.
 2. Employees must be qualified to fill the vacancy which exists.
 3. Employees must bear the cost of relocation or commutation.

4. If relocated prior to severance, or within one (1) year from date of severance, employees shall retain their Company seniority for purposes of benefits determinations, but shall be regarded as new employees for purposes of promotion, transfer, cutback, and layoff.
5. Employees relocated prior to severance shall not be entitled to severance pay benefits as provided under this Schedule.
6. Employees relocated after the commencement of severance pay benefits shall be ineligible to receive further severance pay benefits following re-employment. Such employees shall not be required to return payments already received, but rehired employees' severance pay, in the event of a subsequent termination or relocation, shall be reduced by the amount of payments already received.

VI. EMPLOYEES ON LAYOFF STATUS

In the event that the Company terminates a major plant operation, or relocates such an operation more than thirty-five (35) miles from the City of Rochester, employees on lay off status (as defined in Article VI., E., and G., 4., of the Basic Labor Agreement) from such major plant operation shall be deemed eligible for severance pay benefits, as provided in this Schedule, unless employed under the terms of IV., and V., of this Schedule.

VII. RETIREMENT

Employees who are receiving severance pay benefits shall become ineligible to receive further severance pay benefits upon becoming eligible for retirement benefits. However, employees who have completed ten (10) years of service with the Company and who attain the age of fifty-five (55) years after the commencement of severance pay benefits, or who are severed so as otherwise to be eligible for benefits as provided herein, shall have the option of receiving severance pay benefits or retirement benefits, but not both.

VIII. DEATH BENEFITS

In the event of the death of an employee entitled to severance pay, any remaining payments shall be made in one lump sum to that employee's designated beneficiary.

IX. EXCEPTIONS

There shall be no severance pay required of the Company if the termination of a major plant operation, or the relocation of such an operation, is directly due to riots, civil commotions, or other conditions beyond the direct control of the Company, or during that period in which plant operations are temporarily interrupted due to strikes, labor difficulties, and/or other conditions.

SCHEDULE G

401(k) COMPANY SAVINGS PLAN

This Schedule is intended as an outline only, with the benefits described subject to the detailed terms and conditions of the Plan document, as well as to any applicable governing law.

I. PARTICIPATION IN THE PLAN

Employees are eligible to participate in the Plan as of their first day of active employment with Xerox.

II. VOLUNTARY SAVINGS

- A. Employee earnings eligible for 401(K) savings are typically considered base rate, overtime, and certain lump-sum payments as defined by the Plan.
- B. Employees may elect to have portions of their pay deducted in increments of 1% and invested as follows: 1) up to 18% of pay in the Employee Before-Tax Savings Account, or, 2) up to 18% of pay in an Employee After-Tax Savings Account, or 3) a combination of 1 and 2 above, not to exceed 18% and subject to H. E., below.
- C. Payroll deductions invested in the after-tax savings account do not reduce the amount of taxes otherwise withheld from an employee's weekly pay. However, no taxes are payable on the account's earnings or gains until payment is made from that account.
- D. Payroll deductions invested in the before-tax savings account reduce the amount of taxes otherwise withheld from an employee's weekly pay. No taxes are payable on the account's earnings or gains until payment is made from that account.
- E. Internal Revenue Service regulations require that the savings options described above meet certain tests so that the Plan does not discriminate in favor of higher paid employees. IRS regulations also require that maximum contributions do not exceed certain percentage limits. In the event that the rate of savings has to be reduced for certain higher paid employees to meet such tests, the Company shall notify affected employees.
- F. Employees can start, stop, or change payroll deductions at any time using the appropriate channels (interactive voice response system (IVR) or web access).

- G. Employees may invest in the available funds and change those investment options using the available channels (interactive voice response system (IVR) or web access).

III. COMPANY MATCHED SAVINGS

- A. Effective January 1, 2003, employees are eligible to receive a company contribution of \$.35 for every pre tax \$1.00 they contribute (up to 6% of their eligible annual earnings). Effective January 1, 2004, the company contribution becomes \$.50 for every pre tax \$1.00 they contribute (up to 6% of their eligible annual earnings).
- B. The matching Company contribution will be made on the last day in February based on eligible employee contributions in the prior year.
- C. The matching Company contribution will be distributed to the investment funds the employee has designated their regular savings to at the time of Company contribution.
- D. To be eligible to receive the matching Company contribution, the employee must complete six months of service, and be actively employed on the last day in February of the year in which the contribution is made, or have retired or died between January 1 of the prior year and the last day in February of the year in which the contribution is made.

V. ADDITIONAL 401(k) SAVINGS PLAN HIGHLIGHTS

- A. A range of investment choices including Broad Strategy Funds (Balanced Fund-More Bonds, Balanced Fund - Fifty/Fifty, and Balanced Fund - More Stocks), Focused Strategy Funds (Income Fund, Enhanced Bond Fund, U.S. Stock Fund, International Stock fund, Small Company Stock Fund and Xerox Stock Fund), and a Marketplace Window that provides access to a variety of mutual funds outside of Xerox.
- B. Accounts are valued daily.

VI. TRANSFERS AMONG THE FUNDS

- A. Savings Account Transfers
 - 1. Employees may transfer amounts credited to their Profit Sharing Savings Account, Employee After-Tax Savings Account, and Employee Before-Tax Savings Account among the Funds whenever they wish using the available channels (interactive voice response system (IVR) or web access).

2. Employees may transfer all or part of the amounts credited to them in a Fund. Partial transfers must be in multiples of 1%.
3. When employees have amounts credited in both the Profit Sharing Savings Account and the Employee Before-Tax Savings Account, and desire to transfer all or any part of such credited amount among the Funds, such transfers must be in the same proportion for both Accounts.

VII. LOANS

To the extent permitted by law and subject to the following limitations, employees may take loans from the following accounts: Profit Sharing Savings Account, Employee After-Tax Savings Account, and Employee Before-Tax Savings Account.

- A. Loans may be requested for any reason.
- B. The minimum loan amount is \$500.
- C. The maximum loan amount is based on the following schedule:

<u>Account Balance(s)*</u>	<u>Maximum Loan**</u>
Less than \$100,000	45% of Account Balance(s)
\$100,000 or more	\$45,000

*The account balance subject to the loan maximum for tax-favored loans is the total of the Profit Sharing Savings Account and Employee Before-Tax and After-Tax Savings Accounts, including all outstanding loans from these accounts.

**The maximum loan includes all previous outstanding loan balances.

- D. Loans may be requested every 12 months, but no more than 5 loans may be outstanding at any one time. The total amount of all outstanding loans during any consecutive 12 month period is capped at \$50,000 reduced by the highest loan balance during the past year minus the loan balance on the date the new loan is to be made.
- E. Loans shall be repaid to the employee's account(s), in accordance with their current investment elections, through payroll deductions for which employees shall be required to sign necessary forms, and shall be for the following terms:
 1. Home Purchase Loan - Maximum 14-1/2 years
 2. All other Loans - Maximum 4-1/2 years.

- F. The effective loan interest rate shall be the published Prime Interest rate (Citibank) plus one percent (1%) as of the end of the calendar quarter preceding the date of the loan, rounded upwards to the nearest tenth of one percent, if necessary. Once established, the loan interest rate shall apply for the entire term of the loan.
- G. Employees utilizing this loan provision shall be required to pay a one-time loan initiation fee of \$45.00.
- H. Loan Default Provisions: The federal government passed new regulations in 2002 affecting 401(k) plan loan defaults. Loans taken on or after January 1, 2002, will follow the new federal regulations. Below is a summary of the loan default provisions:

For Loans Taken Before January 1, 2002

If you fail to make loan repayments for six (6) months (the six (6) months don't have to be consecutive), regardless of the reason, your loan is considered a "deemed distribution."

If you fault on a loan taken before January 1, 2002, you'll be suspended from making contributions, taking a withdrawal, or taking another loan for 12 months.

If you haven't repaid the defaulted amount after the 12 months, you will not be able to take another loan from the plan.

For Loans Taken on or After January 1, 2002

If you fail to make one month's or more worth of loan repayments, your loan is considered a "deemed distribution" at the end of the quarter following the quarter in which you missed the loan repayments.

Your loan will continue to accrue interest on the missed principal and interest until you repay the amount in default or you leave the Company, whichever is sooner.

You will not be suspended from making contributions, taking a withdrawal, or taking a loan from the plan if you default.

VIII. WITHDRAWALS

A. Hardship Withdrawals

Participants must first apply for and take all available loans before a hardship withdrawal can be taken. If additional funds are still needed after exhausting all loan opportunities and funds from all other sources, employees may make hardship withdrawals from their Savings Accounts (earnings on post 12/31/88 contributions are not available for withdrawal) in the following sequence:

1. Employee After-Tax Account
2. Profit Sharing Savings Account, if necessary
3. Employee Before-Tax Savings Account.

Hardship withdrawals can be taken only for the four reasons listed below:

	<u>DESCRIPTION</u>	<u>DOCUMENTATION</u>
1.	Medical care not reimbursed by insurance for self or a family member, including dependent parents.	Explanation of Benefits from insurance company; denial of claim; statement by participant that family member has no insurance; medical bill; Pre-determination of Benefits
2.	Down payment on a dwelling to serve as principal residence for participant.	Copy of signed Purchase Contract
3.	Tuition expenses of a family member at an educational institution beyond the secondary level for the coming year.	Evidence of enrollment and tuition invoice for the coming year.
4.	Foreclosure on, or eviction from primary residence	Statement/evidence from foreclosing or evicting party or court proceedings demonstrating need of withdrawal to prevent eviction.

Participants may also request that a hardship withdrawal include amounts necessary for the participant to pay federal and state income taxes and penalties reasonably anticipated to result from the distribution.

B. Discretionary Withdrawals

Employees may make a withdrawal from their Employee After-Tax Savings Accounts for any purpose. The minimum withdrawal is \$500, or the total value (if less than \$500) of the Employee After-Tax Savings Account.

After making a withdrawal, employees must wait three (3) months before they can make another withdrawal.

NOTE: The Internal Revenue Code requires pro-ration of taxable earnings with discretionary withdrawals.

IX. MISCELLANEOUS PROVISIONS

A. Employees remain eligible to participate in the Plan when:

1. They are on an approved leave-of-absence for personal reasons not exceeding six (6) months, or for military service, provided they have had an established Account balance at the commencement of such leave.
2. They are on layoff status as provided in Article VI, E. of the Basic Labor Agreement. Distributions from the Plan will not be made for a period of two (2) years after layoff, but balances in Employee Accounts will continue to reflect gains or losses incurred during that period. However, if employees elect to forfeit recall rights by terminating their employment, they shall become eligible for earlier distributions.

B. Married employees under the age of 35 years must designate their spouse as their beneficiary. Married employees 35 years or older may designate a person other than their spouse as their beneficiary provided they obtain their spouse's written and notarized consent to do so.

C. Employees may not assign or transfer their rights under the Plan, nor may they obligate or create a lien on any of the funds or securities of the Plan.

D. When an employee retires as provided in Schedule I., I., the employee's Savings Accounts may be distributed as follows:

1. In a lump sum payment of all monies vested in such accounts; or

2. In the form of an annuity payable by a legal reserve life insurance company; or
 3. In the form of a direct rollover to another qualified plan or an IRA; or
 4. As a series of fixed installments – for retirees only; or
 5. The employee may also elect to leave this money in the plan.
- E. The provision of D., 1., 2., 3., and 4. above, shall apply to terminated employees who may desire to have their funds applied to an annuity contract.

X. ADDITIONAL PLAN DETAIL

Detailed Plan information, including the investment funds, loans and withdrawal provisions, and other detail is available in the Plan document. In the event of a discrepancy between the information provided in this Schedule G and the Plan document, the Plan document controls.

SCHEDULE H

RETIREMENT INCOME GUARANTEE PLAN

This Schedule is intended as an outline only, and the benefits described are subject to the detailed terms and conditions of the plan document, as well as to the provisions of applicable state and federal laws.

I. PURPOSE

The purpose of this plan is to guarantee specific amounts of total retirement and survivor income for eligible employees as described in Section V.

II. PAY

Pay is defined as the average of the employee's highest five (5) complete calendar years of earnings at Xerox after 1974. It consists of the same elements as provided in the Profit Sharing Plan.

III. CASH BALANCE RETIREMENT ACCOUNT (CBRA)

- A. The CBRA credit shall be based on 5% of an employee's reported annual wages for the prior year, including overtime, premium pay, shift differentials and cash bonuses.
- B. CBRA balances shall be credited at an interest rate equal to the Treasury one year Constant Maturity (CMT) rate plus 1%. The crediting rate has a two percentage point floor – it cannot be more than two percentage points lower than the prior's year's crediting rate.

IV. TRANSITIONAL RETIREMENT ACCOUNT (TRA)

- A. TRA shall contain the amount of money in an employee's Profit Sharing Retirement Account as of 12/31/89, plus the Profit Sharing contribution based on 1989 Return on Assets.
- B. TRA will be increased or decreased according to the results of the funds in which the Profit Sharing Retirement Account was invested at 12/31/89.
- C. No contributions or credits will be made to the TRA after 12/31/89 other than the Profit Sharing contribution based on 1989 Return on Assets.

V. NORMAL RETIREMENT GUARANTEE

For an employee who retires at or after age sixty-five (65) the retirement income guarantee shall be the greater of A., B., C., or D., below:

- A. $1.4\% \times$ the average of the employee's highest 5 years of pay \times the employee's years of service (to 30 Years), which can be estimated in the table below:

<u>Years of Service</u>	<u>Percentage of Pay</u>
30 or more	42.0
29	40.6
28	39.2
27	37.8
26	36.4
25	35.0
24	33.6
23	32.2
22	30.8
21	29.4
20	28.0
19	26.6
18	25.2
17	23.8
16	22.4
15	21.0
14	19.6
13	18.2
12	16.8
11	15.4
10	14.0

- B. The employee's CBRA
- C. The employee's TRA
- D. 1% of Pay for each year of the employee's service. This is an alternative method which takes exceptionally long service into consideration. It does not limit an employee's years of benefit service to 30.

- E. The retirement income is payable as a joint & survivor annuity for married participants or as a life annuity for single participants for the lifetime of the employee unless the employee elects another form of payment subject to written notarized spousal consent, elects to leave the benefit in the plan, or elects to take distributions as provided in XI. and XII., below.

VI. EARLY RETIREMENT GUARANTEE PLAN

- A. For vested employees who retire between the ages of fifty-five (55) and sixty-five (65) and who elect to have their benefit commence prior to age 65, the benefit at early retirement is the amount determined in Section V.A., above, multiplied by the percentage listed below which corresponds to the employee's age at commencement of benefit. An employee who retires early may defer the commencement of benefits up to an age not to exceed 70 and 1/2, provided that the calculation of the benefit shall be determined as of the date of commencement of benefits.

Under 30 Years of Service

30 or More Years of Service

<u>Age at Commencement of Benefits</u>	<u>% Of Benefit</u>	<u>Age at Commencement of Benefits</u>	<u>% Of Benefit</u>
65	100	65	100
64	95	64	100
63	90	63	100
62	85	62	100
61	80	61	95
60	75	60	90
59	70	59	85
58	65	58	80
57	60	57	75
56	55	56	70
55	50	55	65

- B. The retirement income is payable as a joint & survivor annuity for married participants or as a life annuity for single participants for the lifetime of the employee unless the employee elects another form of payment subject to written notarized spousal consent, elects to leave the benefit in the plan, or elects to take distributions as provided in XI. and XII., below.

VII. VESTING

- A. Employees are considered vested under this plan after they complete five (5) years of service with the Company.
- B. Vested employees who terminate their employment prior to retirement shall be eligible for payments under V.A at the age of sixty-five (65). If payments begin earlier, they shall be made on an actuarially reduced basis as provided in V.IA above.

VIII. PRE-RETIREMENT SURVIVOR INCOME

- A. When an employee dies prior to the commencement of retirement benefits, the employee's spouse is eligible for survivor income if the employee was eligible for a benefit under Sections V, or VI., above.
- B. The survivor income shall be the greater of the CBRA or TRA, and fifty (50) percent of the excess of the benefit provided by the guarantee over the greater of the TRA or the CBRA.
- C. The survivor income is payable for the lifetime of the spouse.

IX. POST-RETIREMENT SURVIVOR INCOME (EXCEPT FOR THOSE EMPLOYEES WHO ELECT A LUMP SUM EQUIVALENT PAYMENT OR WHO TAKE PARTIAL DISTRIBUTIONS)

- A. When an employee dies after the employee retires the employee's spouse is eligible for survivor income based on the employee's beneficiary designation at retirement. A married employee's designation is automatically the surviving spouse, unless the surviving spouse has consented, in writing, to the designation of another beneficiary.

X. OPTIONAL FORMS OF BENEFITS

Subject to the rules established by the Joint Administrative Board, employees may reduce their total retirement income in order, at equal cost, to increase the percentage of survivor income, or to provide other forms of installment or lump-sum death benefits which best suit their needs.

XI. LUMP SUM EQUIVALENT PAYMENT

- A. In lieu of payment of retirement income benefits to the employee and the employee's spouse as provided in this Schedule, the employee, with the written notarized consent of the employee's spouse, may upon retirement, take the equivalent value of the employee's retirement income guarantee as a lump sum payment as determined by the plan document.

XII. MISCELLANEOUS

- A. Employees who are vested, as provided in Section VII., above, and who terminate their employment with the Company prior to retirement, may, upon termination of employment, take the equivalent value of their total retirement income as a lump-sum payment subject to written and notarized consent by the employee's spouse, or may leave their money in the Plan.
- B. Employees on layoff or leave-of-absence shall continue to receive credit for service for one (1) year in order to meet the eligibility requirements under VII above.

SCHEDULE I

BENEFITS FOR RETIREES AND THEIR DEPENDENTS

This Schedule is intended as an outline only and the benefits described are subject to the detailed terms and conditions of the actual plans or contracts, as well as to the provisions of applicable state and federal laws.

I. ELIGIBILITY FOR RETIREMENT

A. Early Retirees

Employees are eligible for early retirement when they are at least fifty-five (55) years of age and have a minimum of ten (10) years of service with the Company.

B. Normal Retirees

Employees are eligible for normal retirement when:

1. They are sixty-five (65) years of age or older, and
2. They have a minimum of ten (10) years of service with the Company
3. Employees with ten (10) years of service who become ineligible for Long-Term Disability benefits at the age of sixty-five (65) years shall be regarded as eligible for normal retirement.

II. PROVISION OF BENEFITS FOR RETIREES AND THEIR DEPENDENTS

A. Early and normal retirees shall receive the following benefits:

1. Life Insurance coverage in the amount of six thousand (\$6,000) dollars. Any employee hired after January 1, 2003 is not eligible for Retirement Life Insurance.
2. The Medical Care Plan
 - a. Employees reaching eligibility for retirement (age 55 or older with 10 or more years of service) prior to January 1, 1989 will receive coverage as described in Schedule C., IV, (with the Company assuming the premiums for Medicare, Part B, if payable) of the 1980-1983 Labor Agreement.
 - b. Employees who were not retirement eligible prior to January 1, 1989, who retire between January 1, 1989 and December 31, 1994 will receive coverage as described in Schedule C., IV of the 1989-1992 Labor Agreement with the following modifications:

- (1) The deductible will be 50% of that in effect immediately prior to the employee's retirement.
- (2) The maximum out-of-pocket expense will be 4% of pre-retirement pay (\$4,000 maximum).
- (3) Pre-65 retiree premium contributions will remain the same as the contributions for active employees for the same coverage.
- (4) At age 65, Medicare eligible retirees will continue with the Plan for Active employees but will have the Medicare carve-out feature, i.e., Medicare will be the primary coverage.
- (5) At age 65 retirees will pay Medicare B premiums and may use medical account monies to pay such premiums.
- (6) At age 65 dependent contributions will be waived but the retiree will be required to apply for Medicare and Pay all Medicare premiums.

c. *With the exception of the conditions specified in the agreement sheet for Union Demand #4-A and dated May 27, 1994, employees who were not retiree eligible prior to January 1, 1989 and who retire after December 31, 1994 will receive coverage based on the Retiree Flexible Benefits Program. Under the Retiree Flex Program, the employee will have a Benefits Allowance to spend, and each of the available options will have a price.*

- (1) *The Pre-65 Benefits Allowance will be the total of three components: The Basic Allowance based on the premium for the most efficient HMO's, this amount will be capped at two times the 1995 amount; the Service Component, an amount equal to \$20 times total years of service with the Company up to a maximum of 30 years; and the Lifecycle Assistance Component based on the employee's forfeited balance in the LifeCycle Assistance Program spread over the retiree's expected lifetime using accepted actuarial assumptions (this amount will be included in the retiree's Benefits Allowance each year).*
- (2) *At age 65 Medicare will continue to be the employee's primary source of health care coverage. The Company will no longer provide secondary coverage but will provide a Post-65 Benefits Allowance that the retiree can use to purchase supplementary coverage from an outside source. Supplementary coverage plans make payments for eligible expenses that are not paid by Medicare.*

- (3) The Post-65 Benefits Allowance will be the combination of the employee's service and LifeCycle Assistance components plus a reduced Basic Allowance.
 - (4) The employee will select an option (briefly described below) and make contributions based on the difference between the option's price and the Benefits Allowance. (There will be some contribution for retiree coverage even if no dependents are covers.)
 - (5) Under the Fee-for-Service Plan
 - (i) The deductible will be \$500 per person. If more than two participants are covered, no further deductible applies after two participants have reached their individual \$500 deductibles.
 - (ii) After the annual deductible, the plan pays 80% of most covered expenses, participant pays 20%.
 - (iii) When the combined out-of-pocket covered expenses reach \$5,000 the plan will pay for all further eligible expenses for the remainder of the calendar year.
 - (iv) The deductibles and out-of-pocket maximums will be adjusted in the future to reflect inflation and the plan's increased cost for retiree coverage.
 - (v) The pre-certification requirements and out-of-pocket provisions of the Xerox Medical Plan for active employees will also apply.
 - (6) Retirees also have the option to receive health care through a Health Maintenance Organization (HMO). The retiree's HMO choices will depend on the retiree's location. Specific provisions will vary with each HMO.
 - (7) If the retiree chooses "No Coverage", the retiree will have no medical coverage through the Company, but will receive a special Benefits Allowance for this choice. Certification of other coverage will be required. Loss of alternative coverage beyond the retiree's control would permit reinstatement of coverage under one of the other options.
- d. Employees who were not eligible to retire prior to January 1, 1989, and who volunteer for the Reduction in Force from July 1, 1994 through August 5, 1994 and whose retirement (at least age 55 with 10 years of service) was delayed until 1995 at the Company's request and who started pay continuance before March 20, 1995, remain eligible for the medical plan described in Section II., A., 2., b., above.

3. The Dental Plan

- a. Employees reaching eligibility for retirement (age 55 or older with 10 or more years of service) prior to January 1, 1989 will receive coverage as described in Schedule C., V., of the 1980-1983 Labor Agreement.
- b. Employees who were not eligible to retire prior to January 1, 1989 and who retire between January 1, 1989 and December 31, 1994 will receive coverage as described in Schedule C., V., of the 1989-1992 Labor Agreement with the following modifications:
 - (1) Pre-65 retiree premium contributions will either remain the same or be less than the contributions for active employees who subscribe to Blue Cross Dental and/or Met-Life Basic Dental.
 - (2) At age 65 contributions will be waived.
- c. With the exception of the conditions specified in the agreement sheet for Union Demand #4-A and dated May 24, 1994, employees who were not eligible to retire prior to January 1, 1989 and who retire after December 31, 1994 can use the Retiree Flex allowance for dental benefits up to age 65, except that orthodontia is not included. The dental option may be declined.
 - (1) At age 65 dental coverage will no longer be available through the Xerox Dental Plan.
- d. Employees who were not eligible to retire prior to January 1, 1989 and who volunteer for the Reduction in Force from July 1, 1994 through August 5, 1994 and whose retirement was delayed until 1995 at the Company's request and who started pay continuance before March 20, 1995, remain eligible for the dental plan described in Section II., A., 3., b., above.

4. Flexible Benefit Account

- a. Employees who were not eligible to retire prior to January 1, 1989, and who retire between January 1, 1989 and December 31, 1994 will be credited with a \$400 individual Medical Benefit Account.
- b. With regard to funds in the Account, they may be used throughout the year, on an income tax-free basis (to the extent permitted by law), for reimbursement of health care related expenses.

- c. Health care related expenses include the following: Medical and Dental Plan deductibles; Medicare Premiums; Medical/Dental expenses which are not fully reimbursed; other health care related expenses not covered by the Medical or Dental Plans, such as: routine medical check-ups, eyeglasses, hearing aids, orthodontia.
 - d. Retirees may not elect to take any part of the account in cash.
- B. Dependents of early and normal retirees shall be entitled to the benefits described in II., A., 2. and 3., above depending on the coverage category selected by the retiree. Such entitlement shall continue after the death of the retired employee according to the terms of the applicable plan.

SUPPLEMENTAL AGREEMENT A

PROMOTIONS, TRANSFERS, CUTBACKS, AND DOWNGRADES WITHIN THE MANUFACTURING SENIORITY UNIT

The Company and Union agree that this Supplemental Agreement and the Manufacturing Seniority Unit Promotion and Transfer Chart, as revised from time to time by agreement of the parties, shall serve as the basis for all job movements by employees in the Manufacturing Seniority Unit. Such job movements shall be made in accordance with the procedures described in this Supplemental Agreement.

I. DEFINITIONS

For the purpose of this Supplemental Agreement only, the following terms shall have the meanings indicated below:

A. Company Seniority

Company Seniority is determined by the length of continuous employment from the most recent date of an employee's hire into the Bargaining Unit covered by this Agreement.

B. Job

A Job is a coded unit within a solid box on the Manufacturing Seniority Unit Promotion and Transfer Chart (also referred to as job classification in the Agreement).

C. Classification

A Classification consists of jobs, as defined in B., above.

D. Job Status

The Job Status of an employee is the employee's permanent Classification, Shift Mode (as defined below), and Work Assignment (as defined below).

E. Work Assignments

Work Assignments, which are agreed upon by the Company and Union and may change from time to time, include but are not limited to, the following:

1. High Volume Factory
2. Mid Volume Factory
3. CMO
4. Materials

F. Opening

An Opening occurs when a need arises for an employee in a specific Job and Shift Mode within a Work Assignment.

G. Surplus

A Surplus occurs when an employee in a specific Job and Shift Mode within a Work Assignment is no longer required.

H. Promotion Condition

A Promotion Condition occurs when there are more Openings than Surpluses within a Classification.

I. Shift Modes

1. Straight days.
2. Four weeks or more on days to one week on nights.
3. Three weeks on days to one week on nights.
4. Two weeks on days to one week on nights.
5. One week on days to one week on nights.
6. One week on days to one week on nights, to one week on mid-nights.
7. Two weeks on days to one week on nights, or three weeks on days to one week on nights, or four weeks or more on days to one week on nights (day preference).
8. Voluntary fixed shifts.
9. Four x seven continuous shift.

J. Geographical Locations

1. Webster (W)
2. Henrietta (H)
3. All other sites (O)
4. Others - East

K. Involuntary Downward Movement

This Movement occurs when the number of employees in a Classification is reduced.

L. Voluntary Upward Movement

This Movement occurs when there is a Promotion Condition in a Classification.

M. Movement Within Classification

1. *Voluntary: This Movement occurs when employees elect to change their Job Status.*
 - a. *Level One Volunteer: This type of Volunteer is an employee who volunteers to move to an Opening with another Job Status, thereby eliminating the need for another employee, who does not wish to move, to do so.*
 - b. *Level Two Volunteer: This type of Volunteer is an employee who volunteers to move to another Job Status held by another employee who is a Level One Volunteer.*
 - c. *Preference Movement: This type of Voluntary Movement by an employee occurs within a Classification when a Promotion Condition exists in that Classification.*
2. *Involuntary: This type of Involuntary Movement occurs when employees are required to change their Job Status.*

II. JOB PREFERENCE SHEET

- A. In exercising their movement rights, employees shall indicate for:
 - 1. Voluntary Upward Movement, their choice of Job, Shift Mode, and Work Assignment.
 - 2. Voluntary Movement within Classification, their choice of Shift Mode, and Geographic Location, and, if in the Labor Pool, their choice of Classification.
 - 3. Involuntary Movement within Classification, their choice of Shift Mode, and Geographic Location.
 - 4. Involuntary Downward Movement, their choice of Classification, Shift Mode, and Geographic Location.
- B. The Job Preference Sheet/IRIS shall serve as the primary basis for effectuating changes in Job Status, provided employees possess the necessary qualifications and seniority. The Company shall acknowledge receipt of the Job Preference Sheet through its registration and dating by the designated Staffing Representative.
- C. Employees shall be committed to those preferences indicated on their Job Preference Sheet/IRIS unless:
 - 1. They elect to modify their indicated preference by submitting a revised Job Preference Sheet/IRIS to become effective as follows:
 - a. The revised Job Preference Sheet/IRIS, when registered, shall become effective on the first day of the month following the month when registered, if so registered on or before the fifteenth of the month.
 - b. The Company notifies employees of a job move status posting, whereby employees wishing to change their registered preference shall have eight (8) working days from the date of notice and all preference sheets/IRIS shall be frozen for that job move. Employees on vacation during the eight (8) day period shall have the right to submit a new preference sheet within two (2) work days of returning from vacation. Such changes must be requested via the Industrial Relations P&T office.

2. Their Job Status Changes.

- a. Such employees shall submit within fifteen (15) working days a new Job Preference Sheet/IRIS. If such employees fail to do so, they shall revert to the normal procedure described in C. 1. above.
- b. In the event that such employees have not submitted a new Job Preference Sheet/IRIS within the fifteen (15) day time period cited in 2. a., above and if:
 - (1) Such employees must be moved within fifteen (15) days following a change in Job Status, then the Company's designated Staffing Representatives shall request those employees to submit immediately a new Job Preference Sheet/IRIS. If such employees fail to submit a new Job Preference Sheet/IRIS within twenty-four (24) hours, they shall be moved to any Opening within their Classification, or to any Opening in a lower Classification in their Line of Progression.
 - (2) Such employees must be moved after fifteen (15) days following a change in Job Status, then such employees shall be moved to any Opening within their Classification, or to any Opening in a lower Classification in their Line of Progression.

III. GENERAL

A. Movement within the Manufacturing Seniority Unit

Company Seniority shall be used for all types of movement within the Unit except as set forth in D and E below.

B. Movement in and out of the Manufacturing Seniority Unit (Excluding Movement Covered by Supplemental Agreement F.).

1. When employees are bumped from the Seniority Unit to another Seniority Unit, they shall be moved in the order of least Company Seniority.
2. Employees who return to the Manufacturing Seniority Unit from other Seniority Units, shall return in the order of their Company seniority.

C. Layoff

Employees who leave the Manufacturing Seniority Unit as a result of Layoff shall do so in accordance with the provisions of Article VI, E., of the Basic Labor Agreement.

D. Movement Within, Into, and Out of Work Assignments

With regard to Movement Within Work Assignments, management shall be free to move employees, without resort to the procedures described in this Supplemental Agreement, as long as their permanent shift mode, geographic location, and job are maintained. All other permanent movement shall take place only by following the procedures described in this Supplemental Agreement.

E. Movement Between Work Assignments "S" Classifications
(Does not include "S" designated Entry Level positions)

1. Temporary moves between work assignments shall be to the same job classification on the same shift. When operating needs, qualifications, availability, and training requirements are equal, seniority of employees to be transferred shall govern.

F. Movement methodology, as described in this Supplement, shall apply equally to all Classifications and all Work Assignments. This Movement methodology shall be applied in the following order: Voluntary Downward Movement, Involuntary Downward Movement, Movement Within Classification (Voluntary and Involuntary), and Voluntary Upward Movement.

G. In situations involving involuntary downgrades (cutbacks) to the entry level, such employees will be seniority matched with entry level employees who are being subjected to involuntary movement within. Said employees will be moved in seniority order in accordance with their active job preference form on file.

H. Pilot Plant Pre-Production Supplemental Staffing Program.

See: Appendix A to this Supplemental Agreement.

IV. VOLUNTARY DOWNWARD MOVEMENT

- A. Employees in a Job above the Entry Level shall be permitted to downgrade voluntarily to a lower Job only in the current Line of Progression, or into the Entry Level.
- B. Employees who desire to downgrade voluntarily shall do so by indicating their preferences in writing on Company forms other than the Job Preference Sheet.
- C. Forms submitted under B., above, shall take effect immediately upon receipt by the designated Staffing Representative.
- D. An employee shall be permitted to downgrade voluntarily only to a Job in which a Promotion Condition exists.
- E. In the event that two (2) or more written requests are submitted for the same Job, then the employee with the greatest Company seniority shall be given preference.
- F. An employee shall not be permitted to downgrade voluntarily until a qualified employee has been assigned and trained as a replacement.
- G.
 - 1. Following a voluntary downgrade, employees shall not be permitted for a period of six (6) months, (a) to move under Voluntary movement, as defined in I.M., I., c., or (b) to re-promote to their original Line of Progression, or (c) to re-promote within their current Line of Progression, unless junior employees enter the Classification and indicate a preference on their Job Preference Sheets which matches preferences of the voluntarily downgraded employees. In such instances, the voluntarily downgraded employees shall be permitted to move, prior to moving such junior employees.
 - 2. Employees who have voluntarily downgraded shall be allowed to promote to other Lines of Progression on the next Job move following the downgrade without being constrained by the six (6) month waiting period referred to in G, 1, above.
- H. The right of an employee to exercise the Voluntary Downgrade Movement option shall be subordinate to the right of employees in the desired lower Classification to exercise their Voluntary Movement Within Classification option.

- I. Employees may voluntarily downgrade to fill Openings provided they possess greater Seniority than any other employee who has indicated a preference to promote to the Classification in which the Promotion Condition exists.
- J. An employee who voluntarily downgrades shall not be entitled to maintenance of rate.

V. INVOLUNTARY DOWNWARD MOVEMENT

- A. Employees, except those in the Entry Level, may indicate their desired Involuntary Downward Movement choices on their Job Preference Sheets as follows:

- 1. Classification

- a. Employees shall indicate the next lower Classification in the Line of Progression.
- b. Employees in the lowest Classification in their Line of Progression may indicate any Job within the Entry Level.
- c. Employees who have had prior experience in a Line of Progression other than their current Line of Progression may indicate any formerly held Classification whose Labor Grade is equal to or lower than the Labor Grade of their current Classification. Employees who exercise this right may not indicate a desire on subsequent Job Preference Sheets to return to the prior Line of Progression.
- d. Employees who have prior experience in any of the Distribution Seniority Unit job classifications, (S-32, J-34, J-33, S-29, Q-2, M-2), may exercise a right to move to a formerly held classification whose labor grade is equal to or lower than the labor grade of their current classification. Employees who exercise this right shall be transferred to the Distribution Seniority Unit and such transfer shall not subject the employee to the (36) month freeze provided for in Supplemental Agreement F. The exercise of said right shall be communicated via the Manufacturing Seniority Unit Promotion and Transfer Preference Sheet by indicating the letter 'D' in the appropriate column.

Said rights referred to above shall be granted to all Manufacturing Unit employees who meet these conditions, as of the date of contract ratification.

2. Shift Mode

As defined in I. DEFINITIONS, I. Shift Modes.

3. Geographic Location

As defined in I. DEFINITIONS, J. Geographic Location

- B. When the number of employees in a Classification is to be reduced, the employee in that Classification who has the least Seniority shall be the first to be involuntarily downgraded (i.e., cut back from the Classification), or transferred from the Manufacturing Seniority Unit.
- C. Employees who are involuntarily downgraded shall be assigned a new Job Status in accordance with their Involuntary Downward Movement choices, Seniority, and the following sequence of steps for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1, then the employee shall be assigned to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2, then the employee shall be assigned to an existing Opening, created by Level Two Volunteer, which matches the indicated choice.
 4. Step 4: If the employee cannot be moved in Step 3, then that employee shall bump the most junior employee who has the Job Status which matches the indicated choice. If the employee must be involuntarily downgraded to the Entry Level, then the employee shall bump the most junior employee in the Entry Level who is in the Job represented by the downgraded employee's Job choice in the CLASS column on the Job Preference Sheet and who also matches the Shift Mode and Geographic Location choices indicated by the downgraded employee.
 5. Step 5: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 4, then that

employee shall move directly to an Opening in the next lower Classification if a Promotion Condition exists.

6. Step 6: If the employee cannot be moved in Step 5, then that employee shall be moved to the Job Status occupied by the most junior employee in the next lower Classification in a Line of Progression, or into the Entry Level.
 7. Step 7: If the employee cannot be moved in Step 6 because of insufficient seniority in the next lower Classification, then that employee's Shift Mode and Geographic Location choices shall be honored in succeeding lower Classifications by repeating sequentially the procedures described in C., 1. through 7.
 8. Step 8: If the employee cannot be moved to an Opening in Step 7, above, then the employee shall be displaced from the Seniority Unit.
- D. Employees who are bumped under C., 4., above, shall be assigned a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps for each choice, starting with the first choice.
1. Step 1: The employee shall first be assigned to an existing Opening that matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1, above, then the employee shall be assigned to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2, above, then the employee shall bump the most junior employee who has the Job Status which matches the indicated choice.
 4. Step 4: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 3, above, then the employee shall move directly to an existing Opening in the same Geographical Location.
 5. Step 5: If the employee cannot be moved in Step 4, above, then the employee shall bump the most junior employee in the Classification in the same Geographical Location, provided the employee has indicated a choice for a

Geographical Location in the Involuntary Movement
Within Classification section of the Job Preference Sheet.

6. Step 6: If the employee cannot be moved in Step 5, above, then the employee shall move directly to an existing Opening within the Classification.
- E. Employees who are bumped under D., 3., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps, for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening that matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1., above, then the employee shall bump the most junior employee who has the job status which matches the indicated choice.
 3. Step 3: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 2, above, then the employee shall move directly to an existing Opening in the same Geographical Location.
 4. Step 4: If the employee cannot be moved in Step 3, above, then the employee shall bump the most junior employee in the Classification in the same Geographical Location, provided the employee has indicated a choice for a Geographical Location in the Involuntary Movement Within Classification section of the Job Preference Sheet.
 5. Step 5: If the employee cannot be moved in Step 4, above, then the employee shall move directly to an existing Opening within the Classification.

- F. Employees who are bumped under E., 4., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps for each choice, starting with the first choice.

1. Step 1: The employee shall be assigned to an existing Opening that matches the indicated choice.
2. Step 2: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 1, above, then the employee shall move directly to an existing Opening within the Classification.

VI. MOVEMENT WITHIN CLASSIFICATION

- A. Employees may indicate their desired Voluntary Movement Within Classification choices, on their Job Preference Sheets as follows:

1. Classification

Employees shall indicate their current Classification in the "CLASS" column. Employees in the Entry Level may indicate their choice of Job within the Entry Level.

2. Shift Mode

As defined in I. DEFINITIONS, I. Shift Modes.

3. Geographic Location

As defined in I. DEFINITIONS, J. Geographic Location.

- B. Employees may indicate their desired Involuntary Movement Within Classification choices, on their Job Preference Sheets, as follows:

1. Classification

Employees shall indicate their current Classification in the "CLASS" column. Employees in the Entry Level may indicate their choice of Job within the Entry Level.

2. Shift Mode

As defined in I. DEFINITIONS, I. Shift Modes.

3. Geographic Location

As defined in I. DEFINITIONS, J. Geographic Locations.

C. Surpluses within a Job shall be eliminated in accordance with the following procedures:

1. Step 1: When a Surplus occurs within a Job Classification within a Work Assignment, and an Opening exists within that same Job Classification in another Work Assignment, and such Surplus and Opening are on the same shift mode, then the Opening shall be filled first by a Senior Volunteer in the surplus work assignment moving directly to the Opening. If no volunteer exists, then the junior employee in the Surplus Work Assignment shall be moved directly to the Opening.

When a Surplus occurs within a Job Classification within a Work Assignment, and an Opening exists within that same Job Classification in another Work Assignment, and such Surplus and Opening are not on the same shift mode, then the senior employee in the Job Classification may exercise a Preference Move in accordance with F.1, Step 1 below. The Opening created by the movement of such Senior Volunteer shall be backfilled in the following order:

- a. Level Two volunteers from the Work Assignments with the Surpluses shall move to the Openings created above.
 - b. The junior employees in the Classification in the Work Assignments with the Surpluses shall move directly to the Openings created above except:
 - (1) When the junior employee is being surplusd from a Work Assignment, the employee shall be granted one additional job move in accordance with C.6 (Step 6) below.
2. Step 2: The most senior employees, up to the number of surpluses in the Work Assignments with the Surpluses, who have indicated a desire to change their Job Status, shall be moved as Level One Volunteers in order of seniority.

3. Step 3: If Surpluses remain after completing Step 2, above, the most senior employees - up to the number of Surpluses in the Work Assignments with the Surpluses, who have indicated a desire to change their Job Status in the *Voluntary Movement Within Classification* section of their Job Preference Sheet shall be moved as Level Two Volunteers in order of seniority.
4. Step 4: If Surpluses remain after completing Step 3, above, then the most junior employees in the Job Status of the Surpluses, whose *Involuntary Movement Within Classification* choices, beginning with the first choice, matches existing Openings - shall be assigned, in order of Seniority, to those Openings.
5. Step 5: If Surpluses remain after completing Step 4, above, then the most junior employee in the Job Status of the Surpluses shall be assigned a new Job Status in accordance with that employee's *Involuntary Movement Within Classification* choices, starting with the first choice, and Seniority to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
6. Step 6: If Surpluses remain after completing Step 5, above, then the most junior employee in the Job Status of the Surpluses shall be assigned a new Job Status - utilizing the same criteria as Step 4, above - by bumping the most junior employee who has the Job Status which matches the indicated choice.
7. Step 7: If Surpluses remain after completing Step 6, above, then the most junior employees in the Job Status of the Surpluses shall be moved directly, in order of Seniority, to existing Openings in the same Geographical Location.
8. Step 8: If Surpluses remain after completing Step 7, above, then the most junior employees in the Job Status of the Surpluses shall bump, in order of Seniority, the most junior employees in the same Geographical Location, provided the employees have indicated a choice for a *Geographical Location in the Involuntary Movement Within Classification* Section of their Job Preference Sheets.

9. Step 9: If Surpluses remain after completing Step 8, above, the most junior employees in the Job Status of the Surpluses shall be assigned, in order of Seniority to existing Openings.
- D. Employees who are bumped under C., 6., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps, for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening that matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1., above, then the employee shall bump the most junior employee who has the job status which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2, above, then the employee shall move directly to an existing Opening in the same Geographical Location.
 4. Step 4: If the employee cannot be moved in Step 3, above, then the employee shall bump the most junior employee in the Classification in the same Geographical Location, provided the employee has indicated a choice for a Geographical Location in the Involuntary Movement Within Classification section of the Job Preference Sheet.
 5. Step 5: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 4, above, then the employee shall move directly to an existing Opening within the Classification.
- E. Employees who are bumped under C., 8., or D., 4., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps for each choice, starting with the first choice:
1. Step 1: The employee shall be assigned to an existing Opening that matches the indicated choice.
 2. Step 2: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 1, above, then the employee shall move directly to an existing Opening within the Classification.

- F. If, after relieving Surpluses, Openings still exist, Preference Movement shall take place prior to commencing Voluntary Upward Movement. Employees who move under Preference Movement shall be assigned a new Job Status in accordance with their Voluntary Movement Within Classification choices, Seniority, and the following sequence of steps:

1. Step 1: The most senior employee -- whose indicated choices, starting with the highest choice, match the existing Opening, and who is changing either Shift Mode or Geographic Location -- shall move to the Opening. (Exception: employees in "F", "P" and "R" Jobs shall be required to change their Job Status).
2. Step 2: The Opening created by the employee moving in Step 1, above, shall be filled by the most senior employee whose indicated choices, starting with the highest choice, match the Opening and who is requesting a change in Shift Mode.
3. Step 3: If an employee cannot be moved in Step 2, above, then the Opening created in Step 1, above, shall be filled by the most senior employee whose indicated choices starting with the highest choice, match the Opening and who is requesting a change in Geographic Location.
4. Step 4: The Opening created after completing Steps 2 and 3, above, shall be filled by an employee moving under Voluntary Upward Movement.

VII. VOLUNTARY UPWARD MOVEMENT

- A. Employees may indicate their desired Voluntary Upward Movement choices on their Job Preference Sheets, as follows:

1. Classification
 - a. Employees in Lines of Progression shall indicate only the next higher Job within their Line of Progression.

2. Shift Mode

As defined in I. DEFINITIONS, I., Shift Modes.

3. Geographic Location

As defined in I. DEFINITIONS, J. Geographic Location.

4. Work Assignment

As defined in I. DEFINITIONS, E.. Work Assignment.

- B. Openings in the Entry Level, which remain after Preference Movement has taken place, shall be filled by those employees possessing the greatest Company Seniority among qualified employees in other Seniority Units who have submitted an appropriate request in accordance with the conditions of Supplemental Agreement F. If Openings remain after accommodating such employees, the Company shall hire qualified individuals directly into the Openings.
- C. Openings in Jobs above the Entry Level, which remain after Preference Movement has taken place, shall be filled by the most senior qualified employees in the next lower Jobs in the Line of Progression or in the Entry Level, whose indicated choices, starting with the highest choice, match the existing Opening.
- D. If Openings in Lines of Progression remain after completing C., above, then the Company shall post the Opening to the entire Seniority Unit for five (5) working days. The posting shall indicate the Classification, number of Openings, Shift Mode, Geographic Location and Work Assignment of the Openings. At the completion of the posting period, Openings shall be filled by the most senior qualified employees who have responded to the posting in accordance with the following sequence of steps:
1. Step 1: Employees in other Jobs which are below the Job immediately beneath Opening, by order of descending Jobs in the Line of Progression.
 2. Step 2: If Openings remain after completing Step 1. above, employees in the Entry Level.
 3. Step 3: If Openings remain after completing Step 2. above, employees in other Lines of Progression.
 4. Step 4: If Openings remain after completing Step 3. above employees in the Job immediately below the Job with the Opening who originally could have indicated the choice on their Job Preference Sheet, but did not do so.

- E. If Openings remain after completing D., above, the Company shall post the Openings to all other Seniority Units for five (5) working days. Employees possessing the greatest Company Seniority among qualified employees who respond to the posting shall fill the Openings.
- F. If Openings remain after completing E., above, the Company shall hire qualified individuals directly into the Openings.

VIII. CHANGES IN AGREEMENT

Any changes in this Supplemental Agreement, or in the Basic Labor Agreement, which may affect the status of this Supplemental Agreement, now or in the future, shall be discussed with the duly authorized representatives of the Union without voiding this Supplemental Agreement, in part, or in its entirety.

IX. CHANGES IN JOB QUALIFICATIONS

The Company shall advise the Union of any changes in job qualifications before such changes become effective.

X. GRIEVANCES

Should grievances develop in the application of this Supplemental Agreement, or should unusual circumstances develop wherein the application of one or more sections of this Supplemental Agreement results in a conflict of intent, such grievances or conflicts shall be treated in accordance with the Grievance Procedure of the Basic Labor Agreement.

XI. UNSATISFACTORY WORK RECORD

Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in Voluntary Upward Movement, Voluntary and Involuntary Movement Within Classification, or Involuntary Downward Movement of persons who have unsatisfactory work records in the Jobs to which they were assigned at the time. An unsatisfactory work record shall be defined as one which is established by virtue of demonstration of the facts to the Union at the time of the incident, and which concerns unsatisfactory quality of work, quantity of work, or adherence to rules and regulations.

XII. NEW JOBS

In the event of the establishment of new Jobs, the Company shall discuss their placement on the Promotion and Transfer Chart with the Union prior to such placement.

XIII. RETURN FROM LONG TERM ILLNESS

Employees who, after illness, return without physical restrictions which would prevent them from performing their customary work, shall be reassigned as follows:

- A. If they return to work within ninety (90) days from the commencement of absence due to illness, they shall be assigned to the same Job Status and department in which they worked immediately prior to illness.
- B. If they return to work after ninety (90) days, they shall be assigned to the same Job, Shift Mode, and Geographical Location, and, where practicable, the same Work Assignment and department in which they worked immediately prior to illness. These provisions shall not apply in the event that there have been normal and customary staffing changes which would have altered employees' entitlement to their original Job Status, in which case the employee shall be moved in accordance with the most recent Job Preference form on file. Employees who have been absent for more than one (1) year shall be required to complete a new Job Preference form upon their return to work and shall be moved in accordance with their revised form.

XIV. RETURN FROM ARMED SERVICES

Employees returning from serving in the Armed Services shall be afforded the same rights as those provided employees returning from long term illness.

XV. PROVISIONALLY PROMOTED EMPLOYEES AND EMPLOYEES PROMOTED IN ERROR

See: Appendix B of this Supplemental Agreement

XVI. VOLUNTARY DOWNGRADES TO AVOID DISCIPLINE DUE TO PERFORMANCE INADEQUACIES

- A. When employees in Jobs above the Entry Level fail to meet the performance standards of their Job and request downgrading rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement and shall replace only those employees who are promoted to replace them. Such downgrading employees shall be subject to Article IV, G., of this Supplemental Agreement and shall not be entitled to re-promote to the Job from which they downgraded for one (1) year. If such employees exercise their rights, under this provision, to the same Job from which they were downgraded, they shall be required to complete an initial sixty (60) day probationary period. They shall be permanently downgraded if, during this probationary period, their performance, whether with respect to quality or quantity, still proves unsatisfactory.
- B. When employees in Jobs within the Entry Level fail to meet the performance standards of their Job and request transfer rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement and shall replace only those employees who are transferred to replace them. Employees requesting such transfers shall be subject to Article IV, G. of this Supplemental Agreement and shall not be entitled to retransfer to the Job from which they transferred for one (1) year. If such employees exercise their rights, under this provision, to the same Job from which they transferred, they shall be required to complete an initial sixty (60) day probationary period. They shall be permanently re-transferred if, during this probationary period, their performance, whether with respect to quality or quantity still proves unsatisfactory.

XVII. VOLUNTARY FIXED SHIFTS

Employees may voluntarily choose a fixed shift and shall be free to terminate the fixed shift arrangement after a period of twelve (12) to fifteen (15) months, or earlier, if the hours of work are modified by the Company. Such employees shall be afforded their Involuntary Within Movement rights in accordance with their Company seniority and Job Preference Sheet choices.

XVIII. GRANDPERSON RIGHTS - MANUFACTURING AND DISTRIBUTION SENIORITY UNITS

Employees, as of June 7, 1994, in the Manufacturing or Distribution Seniority Unit and are assigned to the S-32, J-34, S-29, Q-2, M-2 job classification shall have a one (1) time Grandperson right to exercise a lateral or promotional move based upon their Company seniority. The exercise of said right shall not subject the employee to the (36) month freeze provided for in Supplemental Agreement F. The exercise of this right shall be communicated via the Manufacturing Seniority Unit Transfer Preference Sheet.

XIX. LAYOFFS

Employees cut back, who do not have sufficient Company Seniority to claim a position in the Manufacturing Seniority Unit shall be transferred from the Manufacturing Seniority Unit, or be laid off in accordance with the provisions of Article VI, E., of the Basic Labor Agreement.

APPENDIX A

PILOT PLANT PRE-PRODUCTION SUPPLEMENTAL STAFFING PROGRAM

PRELIMINARY STATEMENT

It is recognized that continued progress and growth in the Company will require the development of new and/or upgraded copy machines and accessories. It will be a practice of the Company, therefore, from time to time, to start up new and/or upgraded products under the Pilot Plant pre-production concept.

Whenever such products are introduced, it must be recognized that the Company requires flexibility in the operation of Pilot Plant pre-production areas.

Therefore, in consideration of the above, the Company agrees to the following Pilot Plant pre-production program.

OPERATIONS TO WHICH THIS PILOT PLANT SUPPLEMENTAL STAFFING PROGRAM WILL APPLY

For the purpose of this Program, new and/or upgraded products will be defined as those products which will begin their existence as a Pilot Plant pre-production program, to ultimately be included in final line assembly and major subassembly lines for which production standards are intended but not yet established. The introduction of new and upgraded products under this Pilot Plant Program, shall require that they be developed and produced on separate, discrete lines.

In addition, when the Company identifies a need for a dedicated crew to work on new and/or upgraded products such a crew will be created through the selection procedures indicated in this Agreement. A dedicated crew is defined as those individuals who are permanently assigned to such a Program and who will be utilized full time on any or all jobs in or below their job classification within the assembly lines of progression.

SELECTION PROCEDURES

Employees indicating a preference for a Pilot Plant pre-production program through a posting procedure shall be selected by order of Company seniority from among those applicants who have been previously permanently assigned to a main assembly line or major subassembly station. The Company may exclude from selection employees who have received formal labor action for absenteeism, quality or quantity problems within the prior twelve (12) month period. If employees are so refused selection into the Program, the reasons for the refusal will be reviewed with the employees and their Shop

Representative. If objection still exists to the Company's position, a grievance can then be filed directly to the third step of the grievance procedure and a meeting will be scheduled with the Plant Manager within five (5) working days of the receipt of the grievance. In addition, the Company also reserves the right to ensure ongoing skill continuity on existing products by, when necessary, staggering, by seniority within the product, the transfers of selected employees to Pilot Plant assignments. Such transfers shall not be unreasonably delayed.

XEROX PROGRESSIVE FINAL LINE STABILITY

As has been customary in the past, the start-up phase of a new and/or upgraded product and a subsequent build-up phase (period from the time standards are established until expected production is attained) is generally started on a straight day basis. In addition, for the purpose of providing final line stability, a twelve (12) month freeze will be initially applied and periodically renewed for those employees assigned to the Program.

It is, therefore, understood and agreed that the following will apply:

1. The new Program for purposes of staffing, from its inception, will be regarded as though it is a straight day shift operation.
2. During the pre-production activity a freeze will be applied to those employees involved in the Program. This freeze will prevent employees from voluntarily promoting, transferring and/or downgrading out of the program for a period of twelve (12) months upon entrance into the Pilot Plant Program. After completing each twelve (12) month period they will be canvassed relative to their desire to continue in the Pilot Plant for an additional twelve (12) months. Should an employee respond negatively, that employee will be granted bumping rights in accordance with his/her seniority and Preference Sheet requests when replaced, consistent with the terms of this Agreement. If the employee opts to remain in the Pilot Plant, he/she shall be subject to an immediate, additional twelve (12) month freeze. All such freezes shall remain in effect until a shift mode change occurs or until the build up curve is achieved. If any employees assigned to the Pilot Plant Program must be replaced, replacement employees will be selected based upon the selection procedures provided for in this Agreement.
3. The Company will not surplus employees assigned to the Program who are in excess of Program needs unless a delay occurs (defined as a slip of the program in excess of sixty (60) days) or the program is canceled.
4. The Company will protect employees in freeze status from a loss of promotional opportunity as a result of being in the Pilot Plant program.

5. Employees in the Pilot Plant pre-production program who are bypassed for promotion but received a paper promotion may continue to hold the paper promotion as long as they remain in Pilot Plant. If and when they exercise their rights to leave Pilot Plant, they must accept the first like opening. If no like opening exists, the employee will be compelled to exercise bumping rights consistent with the status of the paper promotion.
6. The Company reserves the right to remove from the Program all employees who fail to meet the required performance standard or fail to adhere to Company rules and regulations.
7. The necessity of Program work during normal plant shutdown presumes that this work will be performed by the Program incumbents. This requirement will be planned to allow other weeks of prime vacation time to be selected.
8. All overtime available in the Pilot Plant will be worked by Pilot Plant assigned personnel utilizing the proper classifications available within the Pilot Plant; then following the line of progression up within the Pilot Plant until all Pilot Plant assigned employees have had the overtime opportunity. In the event Pilot Plant overtime opportunity exists which cannot be satisfied by Pilot Plant employees, additional staffing may be obtained from outside of the Pilot Plant. Such canvassing shall be done in conformity with the MMD or Fabrication Overtime Equalization Procedure, whichever is appropriate.
9. All candidates shall be required to sign a copy of this Agreement acknowledging that they have read and understood it, prior to entering a Pilot Plant assignment.

APPENDIX B

March 12, 1978

Mr. Anthony J. Costanza
Vice-President, Rochester Joint Board
A.C.T.W.U.
750 East Avenue
Rochester, New York 14607

Dear Tony:

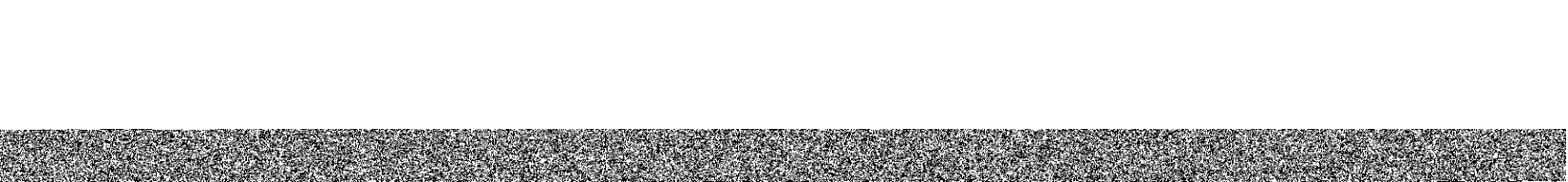
This Appendix incorporates our understanding regarding the application of Article V, Wages; Section C.2, Rate Maintenance, as it applies to provisionally promoted employees and employees promoted in error.

Employees provisionally promoted and who fail to complete their job qualifiers within the required time frame (90 calendar days unless additional time has been mutually agreed upon by the Company and Union) would be considered voluntary downgrades and would be ineligible for any maintenance of rate. The intent of this agreement is not to deprive an employee of a maintained rate who makes a concerted effort to satisfactorily complete their qualifiers.

In determining whether a concerted effort was made the following rules will apply:

- o Employee takes home study course -- fails -- takes on-site qualifier course -- attends all possible classes -- fails course --all within 90 calendar days -- qualifies for maintained rate.
- o Employee takes on-site qualifier course -- attends all possible classes -- fails course -- all within 90 calendar days --qualifies for maintained rate.
- o Employee takes study course -- fails -- does not take on-site qualifier course -- 90 calendar day period expires -- no maintained rate.
- o Employee takes on-site qualifier course -- misses classes --fails course -- 90 calendar day period expires -- no maintained rate.
- o Employee does nothing -- 90 calendar day period expires -- no maintained rate.

- o Employees Promoted In Error -- All outstanding grievances will be resolved by paying 180 day maintenance of rate. All errors occurring after the effective date of this agreement would be handled on the following basis:
- o Errors discovered within 14 calendar days, 30 day maintained rate.
- o Errors discovered after 14 calendar days, 180 day maintained rate.



SUPPLEMENTAL AGREEMENT B

PROMOTIONS, TRANSFERS, CUTBACKS, AND DOWNGRADES WITHIN THE SUPPLIES DELIVERY SENIORITY UNIT

The Company and Union agree that this Supplemental Agreement shall serve as the basis for all Job Status changes in the Supplies Delivery Seniority Unit. Such changes shall be made in accordance with the procedures described in this Supplemental Agreement.

I. DEFINITIONS

For the purpose of this Supplemental Agreement only, the following terms shall have the meanings indicated below:

A. Company Seniority

Company Seniority is determined by the length of continuous employment from the most recent date of an employee's hire into the Bargaining Unit.

B. Job Classifications

Job Classifications are those Job Classifications, applicable to the Supplies Delivery Seniority Unit, as indicated in Schedule A of the Basic Labor Agreement.

C. Job Status

The Job Status of the employee is the employee's permanent Job Classification, Shift Mode (as defined below), and Building (as defined below).

D. Work Assignment

Work Assignment is a process, work area, or product within a Building (as defined below).

E. Opening

An Opening occurs when a need arises for an employee in a specific Job Classification and Shift Mode (as defined below) within a Building (as defined below).

F. Surplus

A Surplus occurs when an employee in a specific Job Classification and Shift Mode (as defined below) within a Building (as defined below) is no longer required.

G. Promotion Condition

A Promotion Condition occurs when there are more Openings than Surpluses within a Job Classification.

H. Shift Modes

- F2 - Voluntary Fixed Second
- F3 - Voluntary Fixed Third
- H1 - Straight Day
- H2 - Rotating 2: 1 week days, 1 week nights.
- H3 - Rotating 3: 1 week days, 1 week nights, 1 week mid-nights.
- H4 - Abnormal Rotating 2: Abnormal 2 shift rotation involving 2 or more consecutive weeks of days or nights.
- H5 - Abnormal Rotating 3: Abnormal 3 shift rotation involving 2 or more consecutive weeks of days, nights and/or mid-nights.
- H6 - Maintain Current Job status regardless of shift configuration change (Involuntary Preference only).
- H8 - Rotating 2: 1 week days, 1 week mid-nights.
- H9 - Overlapping 2 shift rotating of days and nights.
- H10 - Special Shift Configuration as Agreed to by the Company and the Union.
- H11 - Straight Days (4 day workweek)
- H12 - Rotating 2 (4 day workweek)

I. Buildings

The number and designation of Buildings may be changed periodically by the Company in order to conform with its operating requirements. The present Buildings are:

<u>Developer Materials</u>	<u>AMAT/WHDD Photoreceptor Plant</u>
218 (Mach. Test/Paper Test/WHDD)	102
224	119/130
NTP	139/143
	201B (Print Cartridge Delivery Unit)
	213
	225

J. Geographical Locations

I. Webster Site

K. Involuntary Movement Between Classifications

This Movement occurs when the number of employees in a Job Classification is reduced.

L. Shift Change Movement

This Movement occurs when employees within Job Classifications and Work Assignments have their Shift Mode changed.

M. Voluntary Movement Within And Between Job Classifications

This Movement may occur under any combination of Openings and Surpluses.

N. Volunteer

A Volunteer is an employee who volunteers to move to an Opening with another Job Status by filling in the Voluntary Preference block on the Job Preference sheet, thereby eliminating the need for another employee to move who does not wish to do so.

O. Realignment

Realignment is the Movement of employees within a Job Classification when Surpluses exist in some Job Statuses and Openings exist in other Job Statuses, and the net to the Job Classification is Zero (0).

P. Work Assignment Placement

This movement occurs when employees have their Work Assignment changed within their Job Status.

Q. Entry Level

The Multi-functional Manufacturing Assistant (D-61), the Developer Materials Operator Plant (D-46), and the Stores Clerk & Handler (M-2), and Miscellaneous Operator (D-02) shall comprise the Entry Level Job Classifications for the Supplies Manufacturing Seniority Unit.

II. POSTINGS

Job Openings, changes in Shift Modes, and Surpluses shall be posted for any five (5) consecutive working days of any month in which movement is required. The Company shall be required to re-post if there are any changes to the original posting. The length of the re-post will be 48 hours of a normally scheduled workweek.

New jobs will be posted and filled as follows:

The senior qualified employee within the appropriate Line of Progression.

III. JOB PREFERENCE SHEET

- A. In exercising their Movement rights, employees shall indicate, in writing, on forms provided by the Company their Job Classification, Shift Mode, Building, and Geographic Location preferences for Involuntary and Voluntary Movement Within And Between Job Classifications.
- B. The Job Preference Sheet shall serve as the primary basis for effectuating changes in Job Status, provided employees possess the necessary Company seniority.

- C. Employees shall be committed to those preferences indicated on their current Job Preference Sheet.
1. Employees may submit an updated Job Preference Sheet during any day of any calendar month. The updated Job Preference Sheet shall become effective on the first working day immediately following the five-day (5-day) posting period, as indicated in II., above.
 2. Employees whose current Job Preference Sheet on record does not indicate sufficient Involuntary Choices shall have the right to select an opening from remaining job statuses in order of Company Seniority.
- D. All Job Preference Sheets on file shall become null and void after each Job Move. Therefore, a new Job Preference Sheet should be submitted for any subsequent Job Move.
- E. Employees may indicate their desired Movement choices on their Job Preference Sheets as follows:

INVOLUNTARY MOVEMENT

1. Involuntary Movement Within Classification.
 - a. Involuntary Within Preference Block
 - (1) Current Job Classification within the Lines of Progression.
 - (2) Shift Modes
As defined in I. DEFINITIONS, and H. Shift Modes.
 - (3) Building

2. Involuntary Movement Between Classifications Section.
 - a. Involuntary Between Preference Block
 - (1) Job Classification
Employees shall indicate Job Classification in each Line of Progression within the Seniority Unit
 - (2) Shift Modes
As defined in I. DEFINITIONS, and H. Shift Modes

VOLUNTARY MOVEMENT

- I. Voluntary Movement Within And Between Job Classifications Section (also referred to as Voluntary Preference Block).
 - a. Job Classifications
Employees shall indicate any Job Classification within the Line of Progression.
 - b. Shift Modes
As defined in I. DEFINITIONS, and H. Shift Modes.
 - c. Building Locations
As defined in I. DEFINITIONS, and I. Buildings.
- F. Employees who indicate "ANY" Shift Mode preference in the Shift column of the Job Preference Sheet shall, when subject to a change in Job Status, be assigned to the first Shift Mode, in the following sequence, for which an opening exists: H11, H1, H4, H12, H2, H5, H3, H8, H9, and H10, as defined in I. DEFINITIONS, and H. Shift Modes. Also, employees may indicate "ANY" in the Building Preference Block on the Job Preference Sheet.

IV. GENERAL

A. Movement Within The Supplies Delivery Seniority Unit

Company seniority shall be used for all types of Job Status changes within the Line of Progression within a Seniority Unit.

1. The Developer Materials Plant, and the AMAT/WHDD Photoreceptor Plant (XAP/XOD) shall be considered separate Business Unit Lines of Progression for promotions, transfers, cutbacks and downgrades within the Supplies Manufacturing Seniority.
 - a. The Developer Materials Plant shall have one (1) Line of Progression that includes the Extruder, and Developer businesses (See P&T Charts)
 - b. The AMAT/WHDD Photoreceptor Plant shall have two (2) Lines of Progression to include the AMAT and the WHDD Plant/Webster High Density Dip businesses (See P&T Charts).
2. In order to promote or transfer between the Developer Materials Plant, AMAT/WHDD Photoreceptor Plant employees must enter the new Line of Progression from the Stores Clerk & Handler (M02), Developer Materials Operator (D-46) or Multi-functional Manufacturing Assistant (D-61/D-02) within the appropriate plant.
3. Employees may exercise their seniority to promote, transfer or downgrade within the Developer Materials Plant, and AMAT/WHDD Photoreceptor Plant, respectively, in accordance with the established Lines of Progression for the following reasons:
 - a. Promotion.
 - b. Voluntary lateral for shift preference.
 - c. Voluntary downgrade (All SDSU employees shall have the option to voluntarily downgrade to an opening within their Line of Progression).
 - d. Involuntary lateral.

B. Movement In and Out of the Supplies Delivery Seniority Unit (Excluding Movement Covered by Supplemental Agreement F)

1. When employees are bumped from the Seniority Unit to another Seniority Unit, they shall be moved in the order of least Company seniority.
2. A surplus employee scheduled to leave the Seniority Unit shall have the right to bump the most junior employee in the Seniority Unit under the following conditions:
 - a. The junior employee is at labor grade 14 and the surplus employee is qualified for the job.
 - b. On March 18, 2004, the junior employee is above labor grade 14 and the surplus employee is qualified for the job.
 - c. The junior employee is at the same or lower labor grade within the Line of Progression.
 - d. The junior employee is in the Labor Pool.
 - e. The junior employee is in another Line of Progression at the same or lower labor grade if the following requirements have been met:
 1. Surplus employee cannot bump into Labor Pool, and
 2. Junior employee bumped must be moved out of Seniority Unit.
3. Employees who return to the Supplies Delivery Seniority Unit from other Seniority Units shall return in the order of their original Company seniority, provided they accept the first Opening offered to them to return to the Unit.
4. Those employees who were effected by the bumping process shall be entitled to return to their previous job within the same Line of Progression, if an employee who exercises his/her bumping rights during a SDSU job move and subsequently, within ten (10) working days (M-F), transfers to another seniority unit.

C. Movement into the Supplies Delivery Seniority Unit (covered by Supplemental Agreement F).

1. Employees shall transfer, to the X Seniority Unit from another Seniority Unit, whether such transfer be voluntary or involuntary, based on their Company seniority.
2. Employees who transfer to the X Seniority Unit from another Seniority Unit shall be assigned according to Article X, 2, Step 2., and shall not be permitted to participate in any voluntary promotion, transfer or downgrade until two (2) X Seniority Unit job moves have taken place from the date of their transfer. A job move, for purposes of this paragraph, is defined to be a major manpower realignment as a result of production requirements. The duration of time that a transferred employee shall be prohibited from participating in a voluntary promotion, transfer, or downgrade, by the terms of this paragraph, shall not be less than six (6) months and shall not be more than nine (9) months.
3. Mandatory Safety Shoe Policy

All employees transferring to the Supplies Delivery Seniority Unit are required to wear approved safety shoes.

D. Layoff

Employees who leave the Supplies Delivery Seniority Unit as a result of Layoff shall do so in accordance with the provisions of Article VI, E., of the Basic Labor Agreement.

E. Sequence of Movement

The methodology used in this Supplemental Agreement to effectuate Movement Within the Seniority Unit shall be applied, after all employees who are to leave the Seniority Unit have been identified, in accordance with the following sequence of steps:

1. Step 1: Voluntary Movement Within And Between Job Classification (as described in V., below).
2. Step 2: Employees, in accordance with their Company seniority, who have bumping rights because of Involuntary Movement Between Classifications (as described in V., below), Shift Change Movement (as described in VIII., below), or Realignment (as described in IX., below).

3. Step 3: Filling Remaining Openings (as described in X., below).
4. Step 4: Work Assignment Placement (as described in XI., below).

V. VOLUNTARY MOVEMENT WITHIN AND BETWEEN JOB CLASSIFICATIONS

- A. Employees may indicate their desired Voluntary Movement choices on their Job Preference Sheets, in accordance with the provisions outlined below.
 - I. Voluntary Upward Movement:
 - a. Employees may indicate their voluntary upward movement choices on their job preference sheets as follows:
 - (1) Job Classification: Employees in Lines of Progression shall indicate only the next higher job within their Line of Progression.
 - (2) Shift Mode: As defined in I., Definitions, and H., Shift Modes.
 - (3) Buildings: As defined in I., Definitions, and I., Buildings.
- B. Employees in the M-2 Job Classification (Stock Handler) shall have the right to transfer from one line of progression to another within the Labor Pool job classifications.
- C. Openings in the Labor Pool, which remain after Preference Movement has taken place, shall be filled by those employees possessing the greatest Company Seniority among qualified employees in other Seniority Units who have submitted an appropriate request, in accordance with the conditions of Supplemental Agreement F. If Openings remain as defined in V. F. below, after accommodating such employees, the Company shall hire qualified individuals directly into the Openings.
- D. Openings in Jobs above the Labor Pool, which remain after Preference Movement has taken place, shall be filled by the most senior qualified employees in the next lower jobs in the Line of Progression or in the Labor Pool, whose indicated choices, starting with the highest choice, match the existing Opening.

- E. If openings in Lines of Progression remain after completing C. above, openings shall be filled by the most senior qualified employees who responded to the posting in accordance with the following sequence of steps:
1. Step 1: Employees in other jobs which are below the job immediately beneath the job with the opening, by order of descending jobs in the Line of Progression.
 2. Step 2: If openings remain after completing Step 1. above, employees in the Labor Pool.
 3. Step 3: If openings remain after completing Step 2. above, employees scheduled for cut back in other Lines of Progression.
- F. If openings remain after completing D., above, the Company shall post the openings to all other Seniority Units for five (5) working days. Employees possessing the greatest Company Seniority among qualified employees who respond to the posting shall fill the openings.
- G. If openings remain after completing E., above, the Company shall hire qualified individuals directly into the openings.

VI. VOLUNTARY DOWNWARD MOVEMENT

- A. Employees in a Job above the Labor Pool shall be permitted to downgrade voluntarily to a lower Job only in the current Line of Progression, or into the Labor Pool.
- B. Employees who desire to downgrade voluntarily shall do so by indicating their preferences in writing on the Job Preference Sheet.
- C. An employee shall be permitted to downgrade voluntarily only to a job in which there is an opening.
- D. In the event that two (2) or more written requests are submitted for the same job, then the employee with the greatest Company seniority shall be given preference.
- E. An employee shall not be permitted to downgrade voluntarily until a qualified employee has been assigned and trained as a replacement (The Company and Union agree to review length of training requirements).

- F. The right of an employee to exercise the Voluntary Downgrade Movement option shall be subordinate to the right of employees in the desired lower Classification to exercise their Voluntary Movement Within Classification option.
- G. Employees may voluntarily downgrade to fill openings, provided they possess greater seniority than any other employee who has indicated a preference to promote to the classification in which the Promotion Condition exists.
- II. Employees in the M-2 Job Classification (Stock Handler) shall have the right to voluntarily downgrade from one line of progression to another within the Labor Pool job classifications.
- I. An employee who voluntarily downgrades shall not be entitled to maintenance of rate.

VII. INVOLUNTARY DOWNWARD OR LATERAL MOVEMENT

- A. Employees, except those in the Labor Pool, may indicate their desired involuntary downward or lateral movement choices on their Job Preference Sheets as follows:
 - 1. Job Classification

Employees shall indicate lateral or next lower classification in the Line of Progression (same Labor Grade when lines connect).
 - 2. Shift Mode

As defined in E., DEFINITIONS and H., Shift Modes.
- B. Employees in the M-2 (Stock Handler) job classification and any other job classification in the Labor Pool may exercise their Company seniority to bump the junior employee in any other job classification across the lines of progression in the Labor Pool.
- C. When the number of employees in a Classification is to be reduced, the employee in that classification who has the least seniority shall be the first to be involuntarily downgraded (i.e., cut back from the classification), or transferred from the Supplies Delivery Seniority Unit.

VIII. SHIFT CHANGE MOVEMENT

- A. For purpose of Shift Change Movement, the employee's Voluntary Preference Block choices and Involuntary Within Preference Block choices shall be used to assign the employee to a new Job Status within the employee's current Job Classification. Employees may indicate their choices, in accordance with the provisions of III., E., 1. and 4., above.
- B. Employees in a Work Assignment and/or Job Status which has changed its permanent Shift Mode shall have the right to bump other employees within the same Job Classification in accordance with the provisions of III., E., 1., above.
- C. Employees affected by VIII., B., above, who desire to change voluntarily their Job Status shall be assigned to existing Openings in accordance with their Voluntary Preference Block choice, Company Seniority, starting with the most senior employee, and the pertinent provisions of V., A., above.
- D. If employees cannot be moved in VIII., C., above, they shall be assigned involuntarily to a new Job Status in accordance with their Involuntary Within Preference Block choices, Company Seniority, and the following sequence of steps for each choice, starting with the first choice:
 - 1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 - 2. Step 2: If the employee cannot be moved in Step 1, then the employee shall bump the most junior employee who has the Job Status which matches the indicated choice.
- E. Employees who are bumped under the provisions of D., 2., above, shall be assigned a new Job Status in accordance with their Involuntary Within Preference Block choices, Company Seniority, and the following sequence of steps for each choice, starting with the first choice:
 - 1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 - 2. Step 2: If the employee cannot be moved in Step 1, then the employee shall bump the most junior employee who has the Job Status which matches the indicated choice.

- F. If the employees cannot be moved in VIII., D., or E., above, then the employees shall be assigned to an existing Opening within their current Job Classification.

IX. REALIGNMENT

- A. For purpose of Realignment, Voluntary Preference Block choices and Involuntary Within Movement Preference Block choices of employees shall be used to assign them to a new Job Status within their current Job Classification. Employees may indicate their choices in accordance with the provisions of III., e., above.
- B. Employees in a Job Status with a Surplus condition who desire to change their Job Status shall be assigned to existing Openings in accordance with their Voluntary Preference Block choices, Company Seniority, starting with the most senior employees, and the pertinent provisions of V., A., above.
- C. Employees remaining in a Surplus condition after IX., B., above, shall have the right to bump other employees within the same Job Classification by using the involuntary Within Preference Block choices.
- D. In administering the provisions of C., above, the most junior employees in the Job Status of the Surplus, up to the number of Surpluses, shall be assigned a new Job Status in accordance with their Involuntary Within Preference Block choices, Company Seniority, and the following sequence of steps for each choice, starting with the first choice:
 - 1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 - 2. Step 2: If the employee cannot be moved in Step 1, then the employee shall bump the most junior employee who has the Job Status which matches the indicated choice.
- E. Employees who are bumped under the provisions of IX., D., 2., above, shall be assigned a new Job Status in accordance with the provisions of IX., B. and D., above.
- F. If employees cannot be moved in IX., D., or E., above, then the employees shall be assigned to an existing Opening within their current Job Classification.

X. FILLING REMAINING OPENINGS

- A. Any Openings which remain unfilled after exhausting the provisions of V. through IX., above, shall be filled in accordance with the following steps:
1. Step 1: Any employee who is scheduled for Movement in accordance with the provisions of VII. above, and has not been assigned a Job Status, shall be assigned to an existing Opening based on their Company Seniority.
 2. Step 2: Any Openings which remain after the Movement indicated in Step 1, shall be filled by employees who transfer from other Seniority Units, subject to IV, C. above, as follows:
 - a. Openings above Labor Grade 6 shall be assigned to employees by order of greatest Company seniority.
 - b. Openings in entry level assignments (including shift and building preference) shall be made with regard to Company Seniority in the following shift preference order: H1, H11, H12, H4, H2, H5, H3, H8, H9, and H10.
 3. Step 3: Any Openings which remain after the Movement indicated in Step 2, above, shall be filled by the Company hiring qualified individuals from outside the Company directly into the Openings.

XI. WORK ASSIGNMENT PLACEMENT

- A. Work Assignment Placement shall proceed as follows, for transferred employees entering a Building who have been assigned to a new Job Status:
1. Step 1: All employees in the Job Status, including all transferred employees, shall be permitted to choose among the available work assignments in the order of greatest company seniority.
- B. Work Assignment Placement shall proceed as follows, when no transferred employees are entering a Building in a Job Status and there is a permanent need to move employees between Work Assignments in the Job Status:

1. Step 1: Employees already in the Job Status -- where work assignments need to be reduced consistent with the number of Work Assignments with Openings who have indicated a desire to change their Work Assignments shall be moved to their preferred new Work Assignment in order of greatest Company Seniority.
2. Step 2: If Surpluses within a Work Assignment remain after completing Step 1, above, then the most junior employees shall be selected, based on Company seniority from the remaining openings. Senior employees canvassed for work assignment placement must make their selection upon being asked.

XII. SIZE AND LOCATION OF WORK FORCE

The Company shall determine the size and location of its work force. In the event that work which has been performed by employees in one Building is relocated to an alternate Building, the Company shall notify the Union accordingly and shall transfer the incumbents of the Job Classifications involved to the alternate Building. Such Movement shall not be subject to the provisions of I. through XI. of this Supplemental Agreement.

XIII. UNSATISFACTORY WORK RECORD

- A. Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in Voluntary Movement to persons who have unsatisfactory work records in the Job Classification to which they were assigned at the time. An unsatisfactory work record shall be defined as one which is established by virtue of demonstration of the facts to the Union at the time of the incident, and which concerns unsatisfactory quality of work, quantity of work, or adherence to rules and regulations.
- B. When employees fail to meet the performance standards of their Job Classifications and request downgrading, rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement. Such employees shall be subject to Article V.. B., of this Supplemental Agreement, and shall not be entitled to re-promote to the Job Classifications from which they downgraded.

XIV. CHANGES IN AGREEMENT

Any changes in this Supplemental Agreement or in the Basic Labor Agreement which may affect the status of this Supplemental Agreement, now or in the future, shall be discussed with the duly authorized representatives of the Union without voiding this Supplemental Agreement, in part, or in its entirety.

XV. GRIEVANCES

Should grievances develop in the application of this Supplemental Agreement, or should unusual circumstances develop wherein the application of one or more sections of this Supplemental Agreement result in a conflict of intent, such grievances or conflicts shall be treated in accordance with the Grievance Procedure in the Basic Labor Agreement.

XVI. NEW JOBS

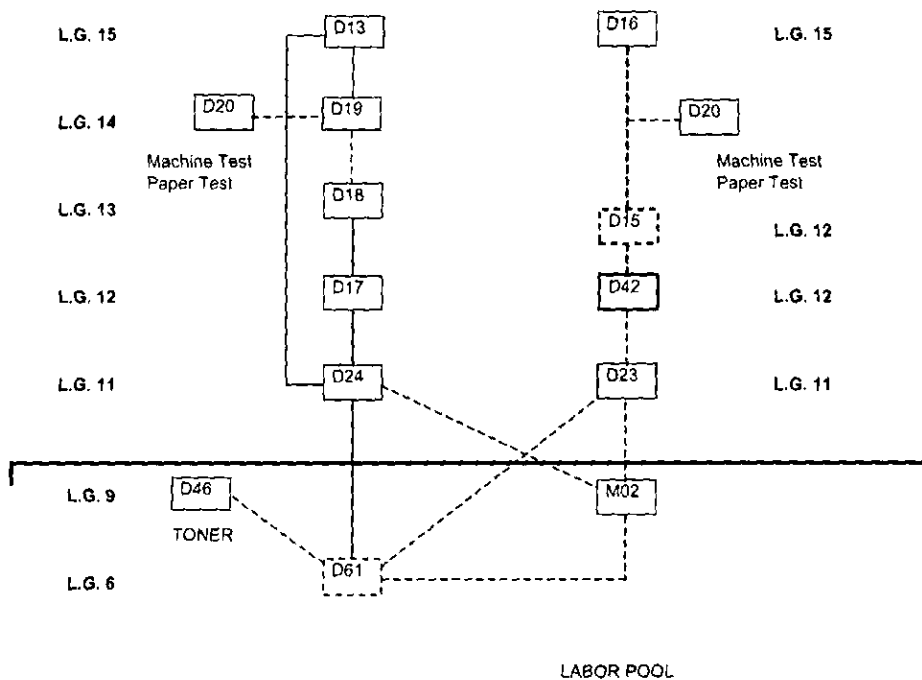
In the event of the establishment of new jobs, the Company shall discuss their placement on the Promotion and Transfer Chart with the Union prior to such placement.

XVII. RETURN FROM LONG TERM ILLNESS

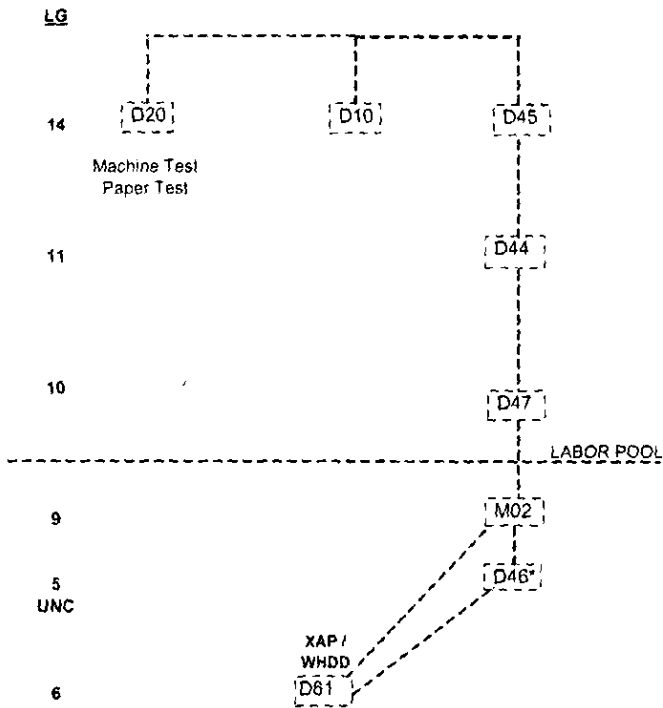
Employees who, after illness, return without physical restrictions which would prevent them from performing their customary work, shall be reassigned as follows:

- A. If they return to work within ninety (90) days from the commencement of absence due to illness, they shall be assigned to the same Job Status and department in which they worked immediately prior to illness.
- B. If they return to work after ninety (90) days, they shall be assigned to the same Job, Shift Mode, and Geographic Location, if they have not been replaced. If they have been replaced, they shall be temporarily assigned to a job classification within their Line of Progression until the next job move. At the next job move, employee will exercise their bumping rights in accordance with Article III., E., Involuntary Movement.

PROMOTION AND TRANSFER
ORGANIC PHOTORECEPTORS
 XAP / WHDD



TONER / DEVELOPER



SUPPLEMENTAL AGREEMENT C
PROMOTIONS, TRANSFERS, CUTBACKS, AND
DOWNGRADES WITHIN THE SERVICE AND
MAINTENANCE SENIORITY UNIT

The Company and the Union agree that the Service and Maintenance Seniority Unit Promotion and Transfer Chart, as revised from time to time by agreement of the parties, shall be used as the basis for all Promotions, Transfers, Cutbacks and Downgrades in the Service and Maintenance Seniority Unit, subject to the following limitations, explanations, and variations as described below:

I. LINES OF PROGRESSION

The Lines of Progression are:

Job Code	Job Classification
A. Outside Ground Maintenance	1. L-29 Groundskeeper
	2. L-21 Senior Groundskeeper
B. Stock Handling	1. L-29 Groundskeeper
	2. J-26 Maintenance Storekeeper
C. Executive Chauffeur	1. L-29 Groundskeeper
	2. Q-19 Messenger
	3. Q-20 Executive Chauffeur
D. Fire Extinguisher Servicer	1. L-29 Groundskeeper
	2. L-37 Fire Extinguisher Servicer
E. Lubricator	1. L-29 Groundskeeper
	2. L-7 Lubricator

F.	Trucking	1.	L-29	Groundskeeper
		2.	I-30	Truck Driver
G.	Transportation	1.	L-29	Groundskeeper
		2.	M-13	Passenger Bus Operator
H.	Hazardous Material	1.	L-29	Groundskeeper
		2.	L-31	Hazardous Material Handler
I.	Pipefitting	1.	L-18	Pipefitter B
		2.	L-22	Pipefitter A
J.	Vehicle Repair	1.	L-25	Vehicle Mechanic B
		2.	I-26	Vehicle Mechanic A
K.	Sheet Metal & Welding	1.	L-23	Welder & Sheet Metal Worker B
		2.	L-24	Welder & Sheet Metal Worker A
L.	Electrical	1.	L-17	Electrician B
		2.	L-19	Electrician A
M.	Wood and Metal Carpentry	1.	I-27	Carpenter B
		2.	L-28	Carpenter A

N.	Machine Repair and Rebuild	1.	L-16	Machine Repair Mechanic and Rebuild B
		2.	L-20	Machine Repair Mechanic and Rebuild A
		3.	L-52	Maintenance Repair Mechanic and Rebuild AA
O.	Painting	1.	L-34	Maintenance Painter
P.	Apprenticeship	1.	L-10	Maintenance Helper
		2.		Maintenance Apprentice

II. DEFINITIONS

For the purpose of this Supplemental Agreement only, the following terms shall have the meanings indicated below:

A. Semi-Skilled Trades Lines of Progression

Lines of Progression designated as A., B., C., D., E., F., G. and H., in I., above.

B. Skilled Trades Lines of Progression

Lines of Progression designated as I., J., K., L., M., N., O. and P. in I., above.

C. Seniority

1. Company Seniority. Company seniority is determined by the length of continuous employment from the most recent date of an employee's hire into the Bargaining Unit covered by this Agreement.

2. Skilled Trades Seniority. Skilled Trades Seniority is determined by the length of an employee's continuous employment in a Skilled Trades Classification; or from the first day of an employee's entry into the Maintenance Apprenticeship Program, subject to the provisions of Supplemental Agreement G, Article XIII.. E. Incumbents in Skilled Trades Classifications as of 3/24/80 shall be assigned as their Skilled Trades Seniority date their 'S' Seniority date as of 3/23/80.

D. Skilled Trades

Each of the occupations of Pipefitter, Vehicle Repair Mechanic, Welder and Sheet Metal Worker, Electrician, Carpenter, Machine Repair Mechanic and Rebuilder, and Maintenance Painter.

E. Job Qualifications

Those Qualifications established for each Job Classification as set forth on each Job Classification's job description. Job qualifications may include:

1. Specified length of time in a previous appropriate Job Classification.
2. Satisfactory scores or ratings on written and practical tests.
3. The necessary governmental license required for the Job Classification.
4. Required number of years of practical experience in a given Skilled Trade.

F. Cutback

Occurs when the number of employees within a Job Classification has to be reduced.

G. Excess

Occurs when the number of employees required within a Job Classification in an Area of Work, as defined in H., below, must be reduced, but a vacancy in that Job Classification exists so that no cutback is required.

H. Opening

An opening to be defined as an added job to any area of work above its present number, skilled or semi-skilled. For purpose of clarification, a vacancy created by an employee leaving the Company or Division for any reason shall be considered as creating an opening to be posted, unless the vacancy created resolved a surplus condition. In the latter case, the Company need not post the opening.

I. Vacancy

A vacancy to be defined as an opening created by an employee who filled a posted opening.

J. Request for Vacancy Sheet

A "Request for Vacancy Sheet" is a job change sheet filed at the time of a posting, indicating an employee's interest in a vacancy that results from a job posting. "A Request for Vacancy Sheet" will not be kept on file. It must be filed for each subsequent posting to be considered for any vacancy in such posting.

K. Areas of Work

The Company shall designate Areas of Work within the Service and Maintenance Seniority Unit. The number of Areas of Work may be increased or decreased, and the composition of the Areas of Work may be changed periodically by the Company in order to conform to its operating requirements. The present Areas of Work are:

*Division 1 Area 1
 X2, 801*

*Division 1 Area 2
 102, 103, 105, 110, 114, 128, 129, 139, 140, 147, 148, 149,
 205, 335, 843, 845*

*Division 2 Area 3 [Manufacturing North]
 199, 200, 210, 214, 215, 334*

*Division 2 Area 4 [Manufacturing South]
 207, 208, 209, 111, 336*

*Division 3 Area 5 [Supplies East]
 223, 223A, 224, 225, 225A*

Division 3 Area 6 [Supplies West]
201, 206, 212, 213, 218; Pilot Plants 118, 119, 120, 121,
130, 141, 143

Division 4 Area 7 [Central Site]
300, 304, 315, 317, 337, 338, 343, 345. All Electrical
Substation Buildings

Division 5 Area 8 [MOD II Office and Lab – Monroe County]

Division 5 Area 9 [MOD III Manufacturing Group – Monroe County]

Division 5 Area 10 [MOD IV Supplies Group – Monroe County]

Division 6 Area 11 [Maintenance Crib Services]
110, 225

Division 6 Area 12 [Maintenance Crib Services]
X2, City Center, Gateway

Division 6 Area 13 [Maintenance Crib Services]
300

Division 6 Area 14 [Maintenance Crib Services]
205, 304

Division 6 Area 15 [Maintenance Crib Services]
868

Division 6 Area 16 [Maintenance Crib Services]
839

Division 6 Area 17 [Maintenance Crib Services]
826

Non-Division Areas
Area 18 Messenger Service

Area 19 Print Services – Bldg. 868

L. Geographic Locations

Geographic Locations are designated as follows:

1. Town of Webster.
2. Town of Henrietta.
3. City of Rochester.

M. Shift Modes

1. *Straight Days.*
2. Two-shift rotation.
3. Three-shift rotation.
4. *Four-shift rotation.*

N. Project

Project Maintenance employees perform facilities and equipment rearrangement and modifications, renovations, equipment installations, major equipment rebuild and repair, and fabrication utilizing various materials.

O. Coverage

Coverage Maintenance employees are assigned to specific geographic locations and are required to maintain facilities and equipment in its intended operating mode. These employees perform work such as, but not limited to, preventative and corrective maintenance, re-lamping, filter changes and emergency repairs.

III. PROJECT AND COVERAGE

A. *It is the Company's intent to maintain Project Crews in work areas for the mutual benefit of the Company and the employees affected. Project Crews in Areas are established for the following reasons:*

1. Limit excessive movement of personnel and equipment between work locations.
2. Provide Project craftsmen with a base from which to operate.

3. Enable Project craftsmen to become familiar with an assigned work area.
 4. Balance coverage and Project overtime in Areas.
 5. Project Craftsmen perform coverage duties when needs arise.
 6. Coverage Craftsmen perform small Project jobs or help Project crafts when time is available.
 7. Area Project Craftsmen backfill Coverage absences of one week to three months (by seniority). After three months the job must be posted unless the Company and the Union agree to a longer period.
 8. Move Project craftsmen by seniority when there is no Project work for a craft in an Area (first within the employee's division, and then outside the employee's division).
 9. Not to assign a Project employee to another Area when an employee in such Project employee's classification is assigned from another Area to the Project employee's Area.
- B. Coverage employees in an Area who have no Project counterpart will be expected to perform both Coverage and Project work (Project work to be on a small scale).
- C. If Project employees have been assigned to another Area for more than one week, no new contractors shall be added to such employees' original Area, except for turnkey operations, emergencies, and unusual circumstances. Such unusual circumstances shall be discussed with the Union to protect the best interest of the Company.
- D. No employee shall be assigned to an area from which an employee has been transferred prior to the return of such transferred employee except when:
1. To do so would eliminate job continuity. (The Company shall retain one (1) employee per classification for job continuity).
 2. The Company, Union, and the transferred employee(s) mutually agree.

E. Off-Shift Work

1. When off-shift Project work is scheduled, the Company shall post notice in the Area and canvass for volunteers. If there are no volunteers, the Project employees from the Area affected shall be assigned to the off-shift work based on seniority.
2. If the junior Project employee is filling in on an off-shift work assignment or is otherwise unavailable when another off-shift assignment is scheduled, the next least senior Project employee shall be scheduled until the junior Project employee is available. The junior Project employee shall then finish the second employee's off-shift work assignment, unless such employee elects to remain on off-shift.
3. For purposes of job assignment, the least preferential shift shall be the third shift.
4. Payment for off-shift work assignments shall be:
 - a. The appropriate hourly rate for off-shift hours worked between 7:00 a.m. - 3:00 p.m.
 - b. The appropriate hourly rate plus second shift differential for off-shift hours worked between 3:00 p.m. - 11:00 p.m.
 - c. The appropriate hourly rate plus third shift differential for off-shift hours worked between 11:00 p.m. - 7:00 a.m.

EXAMPLE: Off-shift work scheduled from 6:00 p.m. - 2:30 a.m. shall be paid at the appropriate hourly rate plus second shift differential from 6:00 p.m. - 11:00 p.m. and third shift differential from 11:00 p.m. - 2:30 a.m.

IV. PROMOTIONS

A. Semi-Skilled Trades Lines of Progression

1. Promotions shall be in accordance with the Lines of Progression, as set forth in I. LINES OF PROGRESSION, and II. DEFINITIONS, above, and as indicated on the Service and Maintenance Seniority Unit Promotion & Transfer Chart.

2. Promotions to fill openings and vacancies in Job Classifications immediately above L-29 shall be offered to the employee in the L-29 Job Classification who possesses the necessary job qualifications and who has the greatest Company seniority.
3. Openings and Vacancies in Q-20 shall be offered to the employee in the Q-19 Job Classification who possesses the necessary job qualifications and who has the greatest Company seniority.

B. Skilled Trades Lines of Progression

1. Promotions shall be in accordance with the Lines of Progression as set forth in I. and II. above and as indicated in the Service and Maintenance Seniority Unit Promotion & Transfer Chart.
2. Employees who complete Maintenance Apprenticeship Programs shall be eligible to promote to appropriate B level job classifications in Lines of Progression I., J., K., L., M., N., and to the Maintenance Painter Job Classification (O).
3. Employees classified in B level Job Classifications shall be promoted to A level Job Classifications in Lines of Progression I., J., K., L., M. and N., under the following conditions:
 - a. Completion of four (4) years' verifiable work experience in a B level Job Classification or attainment of satisfactory ratings on the applicable Company tests for the specific Job Classification, or
 - b. Completion of a four (4) year Apprentice Program certified by an appropriate State or Federal agency and two (2) years' verifiable work experience in a B level Job Classification and attainment of satisfactory ratings on the applicable Company tests for the specific Job Classification.
4. Employees classified in A level job classifications, where AA level job classifications exist, shall be eligible for promotion to the AA level job classification upon:
 - a. Completion of six (6) months active service in the respective A level job classification
 - b. Establishment of satisfactory ratings on the appropriate AA level test.

- C. At the sole discretion of the Company, equivalent time in a job outside of the Company shall be accepted in lieu of time-in-grade requirements if the duties of such outside job are similar and applicable.
- D. The Shop Representative may request review of test results.
- E. The Company shall notify the Union of any changes in written or practical tests before such changes are implemented.

V. TRANSFERS

A. General Provisions

- 1. The Company shall notify the Shop Representative of a vacancy at least five (5) working days prior to filling it.
- 2. The Company shall be responsible for posting all openings for a period of five (5) working days. Employees who desire to be considered for transfer to such openings must submit to the Industrial Relations Representative of the Service and Maintenance Seniority Unit, within the five (5) day posting period, a written request on forms provided by the Company.
- 3. Postings shall identify the reason for the opening and/or surplus.
- 4. All vacancies resulting from a current posting must be applied for within the five (5) day posting period as described in B. 3. below.
- 5. The Company shall not postpone action on any transfers mutually agreed upon for more than thirty (30) calendar days from the date when the posting was filled without good and sufficient reason. Such good and sufficient reason shall include, but not be limited to, proper training of replacement personnel. If after ninety (90) days an employee is not transferred, the employee shall assume the appropriate overtime average for the area to which the employee is being transferred.
- 6. Requests for transfers or promotions to openings or vacancies in the Semi-Skilled Trades Job Classifications shall be considered on the basis of Company seniority, in the following order:
 - a. Requests for movement within classification.
 - b. Requests for movement within Line of Progression.

- c. Requests for movement from any Semi-Skilled Trades Job Classification.
 - d. Requests for movement by Skilled Trades employees wishing to downgrade.
 - 7. Temporary transfers in Semi-Skilled Trades Job Classifications shall be filled by employees in the L-29 Job Classification by Company seniority.
- B. Transfers between Areas of Work and between Geographic Locations within an area shall take place under the following conditions:**
- 1. An employee's transfer rights, as provided herein, include the right to transfer to another Area of Work or to a different Geographic Location within the same Area of Work.
 - 2. In the event that more than one (1) employee requests a transfer to a Job Opening, preference shall be given to the employee who has the greatest Company or Skilled Trades seniority, whichever is applicable.
 - 3. When a vacancy is created as the result of an employee accepting a job posting, then such vacancy shall be filled by employees who have a "Request for Vacancy Sheet" on file unless this vacancy is in an area with a Surplus condition. In no event will more than two (2) moves be allowed. All "Request for Vacancy Sheets" will be filed at the time of a job posting and discarded after all vacancies that result from that posting have been filled. Request for Vacancy Sheets will be honored in the following order for Semi-Skilled job classifications:
 - a. Request for Vacancy within classification.
 - b. Request for Vacancy within lines of progression.
 - c. Request for Vacancy from Semi-Skilled job classifications.
 - d. Request for vacancy by Skilled Trades job Classifications.
 - 4. The Company shall not be obligated to make more than one (1) posting in the course of filling an initial opening.

- C. Transfers among Maintenance Skilled Trades Job Classifications shall take place under the following conditions:
1. In the event that a vacancy in a Maintenance Skilled Trades Job Classification is not filled through the provisions of paragraph IV., A., above, then that vacancy may be filled by the transfer of a fully qualified employee of another Maintenance Skilled Trades Job Classification.
 2. In the event that more than one (1) employee requests a transfer to a Job Opening, preference shall be given to the employee who has the greatest Skilled Trades seniority.

VI. VOLUNTARY DOWNGRADES

Employees shall have the opportunity to voluntarily downgrade under the following conditions:

- A. A vacancy must exist in the desired Job Classification.
- B. The employee who desires a downgrade must bid on the vacancy at the time of its posting.
- C. If more than one (1) employee requests a downgrade, the employee with the greatest Company seniority shall be moved.
- D. The voluntary downgrade request of an employee shall be subordinate to the request of an employee who wishes to promote within the Line of Progression or to transfer within the Job Classification.

VII. REALIGNMENT OF SHIFTS

Whenever Coverage shift realignments are made in an Area of Work, all Coverage employees of the affected classification shall be canvassed, in order of seniority, for their preferences.

VIII. SELECTING EMPLOYEES TO FILL IN FOR ABSENCES

- A. Short-Term Absences (Unscheduled - One Week or less)
 1. For rotating shifts, if replacement of absent Coverage employees is required, Coverage employees in that Area of Work may work a double or split shift to fill a short-term absence at the Company's discretion.

2. For straight-day shift, if replacement of an absent employee is required, any day vacancy within the Seniority Unit shall be filled by the junior Project employee in the Area unless a senior Project employee in the area volunteers.

B. Extended absences (Scheduled - One (1) Week or More)

1. Rotating Shifts: A straight-day employee from the coverage area where a rotating employee is on extended absence shall be offered, on the basis of seniority, the opportunity to fill the rotating shift vacancy. If the rotating shift vacancy is not filled from within the coverage area where the absence occurred, a Project employee from that Area of Work shall be assigned to the vacancy on the basis of seniority. Based on greater seniority the Project employee may displace the junior straight-day coverage employee and that employee shall be assigned to a rotating shift vacancy.
2. Straight-Day Shift: Any straight-day vacancy occurring within a coverage area shall be filled by Area Project employees, if the need arises, in accordance with seniority.

IX. OUTSIDE HIRING

In the event that vacancies exist after exhausting all the appropriate provisions of the Agreement, the Company shall fill such vacancies by hiring qualified persons from the outside. However, persons hired from the outside to fill vacancies in the Skilled Trades Lines of Progression shall be assigned only to the B level Job Classification of the appropriate Skilled Trade for which they are qualified and shall remain in that Job Classification for a period of not less than six (6) months.

X. CUTBACKS, BUMPING, AND LAYOFFS

A. Order of Cutbacks

Cutbacks from any Job Classification shall be determined on the basis of applicable seniority. The employee in the Job Classification to be cut back who has the least seniority shall be cut back first. Subsequent cutbacks shall follow in the same order.

B. Cutbacks -- Skilled Trades Job Classifications

Cutback shall mean the reduction in the number of employees within a Job Classification and shall take place under the following conditions:

1. Employees cut back from a Skilled Trades Job Classification can use their greater Skilled Trades seniority to bump the least senior

employee of all other Skilled Trades Job Classifications in which they have had previous Company working experience.

2. Employees cut back from a Skilled Trades Job Classification can use their greater Company seniority to bump the least senior employee of any Semi-Skilled Trades Job Classification (except L-21) in any Geographic Location.
3. Skilled Trades employees shall not be eligible to bump into the L-21 Job Classification without having previously held the L-21 Job Classification as a Senior Groundskeeper on a permanent basis.
4. Skilled Trades employees not able to bump into the L-29 Job Classification based on Company seniority shall be reduced in accordance with Article VI, E., of the Basic Labor Agreement.
5. Skilled Trades employees who are cut back from the Skilled Trades shall retain their initial Skilled Trades seniority dates for all future promotions, transfers, cutbacks, and downgrades within the Maintenance Skilled Trades Job Classifications.

C. Cutbacks -- Semi-Skilled Trades Job Classifications

Cutback shall mean the reduction in the number of employees within a Job Classification and shall take place under the following conditions:

1. Cutbacks in the Semi-Skilled Trades Job Classifications shall be limited to five (5) moves.
2. The first employee cut back from the Semi-Skilled Trades job classification and the second and third employee subsequently displaced can use their greater Company seniority to maintain their shift mode by displacing the least senior employee of any Semi-Skilled Trades job classification on the same shift or any shift mode in any Geographic Location. Said employee may also fill any Semi-Skilled Trades opening.
3. The fourth employee subsequently displaced can use greater Company seniority to bump the least senior Semi-Skilled Trades employee in any Geographic Location, or may fill any Semi-Skilled Trades opening.
4. The fifth employee subsequently displaced may go to any existing vacancy or may use seniority to displace the least senior L-29 employee who shall be assigned to the existing vacancy.

5. Semi-Skilled Trades employees shall not be eligible to bump employees in the L-21 Job Classification without having held the L-21 Job Classification as a Senior Groundskeeper on a permanent basis.
6. Semi-Skilled Trades employees not able to bump employees in the L-29 Job Classification based on Company seniority shall be reduced in accordance with Article VI., E., of the Basic Labor Agreement.

D. Lateral Movement Within Classification

1. All vacancies shall be posted and filled consistent with provisions of Article IV., A., B., C., of this Supplement.
2. If the employee selected from the posting is from a surplus area, no further movement shall be necessary.
3. If the employee selected from the posting is from an area not in surplus, paragraph E. below, Excess shall apply.

E. Excess

1. The employee excessed can exercise greater seniority to claim jobs within that employee's Job Classification where the employee can:
 - (a) Displace the least senior employee in any area, on any shift, for Skilled-Trades job classifications.
 - (b) Displace the least senior employee in any area, on any shift, for Semi-Skilled Trades job classifications.
 - (c) Fill any vacancy.
2. The employee displaced above may fill the existing vacancy or may displace the least senior employee, in the same job classification, in any area, on any shift mode.
3. Postings shall identify the reason for the vacancy and/or surplus.

F. Layoff

1. Employees cut back who do not have sufficient Company seniority to claim a position in the L-29 Job Classification shall be transferred from the Service and Maintenance Seniority Unit, or laid off, subject to the provisions of Article VI., E., of the Basic Labor Agreement.
2. Employees who are cut back from the Service and Maintenance Seniority Unit to other seniority units shall retain, under the terms of Article VI., E., of the Basic Labor Agreement, their rights to return to the Service and Maintenance Seniority Unit.

XI. BAR TO PROMOTION OR TRANSFER

- A. Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in Promotions, Transfers, or Cutbacks to employees who have unsatisfactory work records in the Job Classifications to which they are assigned at the time. An unsatisfactory work record shall be defined as one which is established by virtue of demonstration of the facts to the Union at the time of the incident and which concerns unsatisfactory quality of work, quantity of work, or adherence to rules and regulations.
- B. When employees fail to meet the performance standards of their Job Classifications and request downgrading rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement. Such employees shall not be entitled to re-promote to the Job Classifications from which they downgraded.

XII. NEW JOB CLASSIFICATIONS

In the event of the establishment of new Job Classifications, the Company shall discuss with the Union their placement on the Promotion and Transfer Chart.

XIII. ROAD STRIPING AND/OR STENCIL MARKING OF THE SURFACES OF PARKING LOTS, ROADS, AND ATHLETIC FIELDS

When it is necessary to perform painting in connection with road striping and/or stencil marking of the surfaces of parking lots, roads, and athletic fields, such work shall be assigned in the following sequence to:

- A. Available employees of the L-34 Job Classification on a straight-time or overtime basis.

- B. Available employees of the Painter Apprenticeship Program on a straight-time or overtime basis.
- C. Available employees of the I-29 Job Classification on a straight-time or overtime basis, who, when assigned such work, shall be compensated at the rate paid to Job Classifications of Labor Grade 9 as indicated in Schedule B. The Company shall notify the Union prior to such assignments.

XIV. CHANGES IN AGREEMENT

Any change in this Supplemental Agreement, or in the Basic Labor Agreement, which may affect the status of this Supplemental Agreement, now or in the future, shall be discussed with the duly authorized Shop Representatives of the Union without voiding this Supplemental Agreement, in part, or in its entirety.

XV. GRIEVANCES

Should grievances develop in the application of this Supplemental Agreement, or should unusual circumstances develop wherein the application of one or more sections of this Supplemental Agreement results in a conflict of intent, such grievances or conflicts shall be treated in accordance with the Grievance Procedure of the Basic Labor Agreement.

SUPPLEMENTAL AGREEMENT D

PROMOTIONS, TRANSFER AND CUTBACKS WITHIN THE BUILDING CUSTODIAL SERVICES SENIORITY UNIT

EFFECTIVE MARCH 18, 2002

The Company and the Union agree that the Building Custodial Services Seniority Unit Promotion and Transfer Chart as revised from time to time by agreement of the parties, shall be used as the basis for all promotions, transfers and cutbacks in the Building Custodial Services Seniority Unit, subject to the following limitations, explanations and variations, as described herein:

I. DESIGNATION OF AREAS

L-11 Classification Only

Division 1	Area 1A [Site & Facilities Services] X2
Division 1	Area 1B [Site & Facilities Services] 801
Division 1	Area 2A [Site & Facilities Services – East & West Complex] 102, 103, 105, 114, 128, 129, 139, 140, 147 148, 149, 205, 300, 304, 317, 335, 337
Division 1	Area 2B-1 [Site & Facilities Services – North Complex] 110, 199, 200, 210, 214, 215, 334
Division 1	Area 2B-2 [Site & Facilities Services – Supplies] 201, 206, 212, 218, 223, 223A, 224, 225, 843, 845 Pilot Plants: 118, 119, 120, 121, 130, 141, 143
Division 1	Area 2C [Site & Facilities Services – South Complex] 111, 207, 208, 209, 336
Division 2	Area 1 [Supplies] 225
Division 3	Area 1 [Manufacturing] 209

- Division 3 Area 2 [Manufacturing]
208
- Division 4 Area 1 [Fab & Tech Services]
Tool Room / Model Shop - 208

L-45, L-51 and M-06 Classification

- Division 1 Area 1A [Site & Facilities Services]
X2
- Division 1 Area 1B [Site & Facilities Services]
801
- Division 1 Area 2 [Site & Facilities Services – East & West Complex]
102, 103, 105, 114, 128, 129, 139, 140, 147, 148, 149, 205
300, 317, 335, 337, 843, 845
- Division 1 Area 3A [Site & Facilities Services – North Complex]
199, 200, 210, 214, 215, 334
- Division 1 Area 3B [Site & Facilities Services – South Complex]
111, 207, 208, 209, 336
- Division 1 Area 4A [Site & Facilities Services – Supplies East]
223, 223A, 224, 225A
- Division 1 Area 4B [Site & Facilities Services – Supplies West]
201, 206, 212, 218, Pilot Plants: 118, 119, 120, 121, 130, 213, 141,
143
- Division 1 Area 5A [Site & Facilities Services – Central Site]
Furniture Movers - 110
- Division 1 Area 5B [Site & Facilities Services – Central Site]
Burn Run - 110
- Division 1 Area 6A [Site & Facilities Services]
X2 Custodial Support
- Division 1 Area 6B [Site & Facilities Services]
801 Custodial Supports
- Division 1 Area 7A [Site & Facilities Services]
Supplies Power Plant
119, 120, 130, 141, 213, 223, 223A, 224, 225A, 345, 348, 843, 845

Division 1	Area 7B [Site & Facilities Services] North & South Complex Power Plant 111, 118, 121, 143, 199, 200, 200A, 207, 208, 209, 210 214, 215, 318, 334, 336, 351
Division 1	Area 7C [Site & Facilities Services] East & West Complex Power Plant 102, 103, 105, 114, 128, 129, 139, 140, 147, 148, 149, 150 201, 205, 206, 212, 218, 300, 304, 317, 335, 337, 338
Division 1	Area 8A [Site & Facilities Services] East & West Complex Custodial Support
Division 1	Area 8B [Site & Facilities Services] South Complex Custodial Support
Division 1	Area 8C [Site & Facilities Services] Supplies Custodial Support
Division 2	Area 1 [Fab & Tech Services] Fab & Tech Services – 208
Division 2	Area 2 {Fusers} Fuser
Division 3	Area 1 [Distribution] 210, 215
Division 3	Area 2 {Distribution} 214
Division 4	Area 1 [Supplies] 206, 218
Division 4	Area 2 {Supplies} 223A, 224, 225, 225A
Division 4	Area 3 [Supplies] 213
Division 5	Area 1 [Manufacturing] 209
Division 5	Area 2 {Manufacturing} 208 including iGEN3

Division 6 Area 1 [Manufacturing]
Commerce Drive - 826

Division 7 Area 1 [High Rise]
208

The number of areas may be increased or decreased and the composition of the areas may be changed periodically by the Company in order to conform to its operating requirements.

II. NOTIFICATION OF JOB OPENINGS

The Company shall make every reasonable effort to notify the duly authorized Shop Representative of a job opening(s) two (2) days prior to the job postings. The initial job opening(s) will be posted for a minimum of five (5) working days. An employee may answer the posting with a posting/backfill sheet. This sheet will allow an employee(s) to go to the opening(s) or backfill vacancies created by an employee that has filled the opening(s) or movement created by a backfill(s). No more than four (4) transfers shall result from an initial vacancy. This rule shall not apply on promotional opportunities.

III. MOVEMENT METHODOLOGY

Movement methodology, as described in this supplement, shall apply equally to all classifications and all areas. This movement methodology shall be applied in the following order: cutback, transfer, excess, and promotions.

IV. CUTBACKS

A. Order of Cutbacks

Cutbacks from any Job Classification shall be determined on the basis of Company seniority. The employee(s) in the Job Classification to be cutback who has the least Company seniority shall be cutback first. Subsequent cutbacks shall follow in the same order.

B. Rights of Cutback Employees

Employees shall have rights in the following order:

- I. Displace the least senior employee(s) in any area, on any shift in the next lower job classification.

2. The employee(s) displaced in B.1. above, may displace the least senior employee(s) in any area, on any shift until the sequence is completed or goes to the next lower job classification and the process starts over with B.1. above, then B.2, until the process is finished. The Company would then implement a seniority unit transfer or layoff, as appropriate.

C. Layoff

Employees who are cutback and who do not have sufficient seniority to claim any position in the Building Custodial Services Seniority Unit or a Seniority Unit transfer, shall be laid off in accordance with the provision of Article VI. E, of the Basic Labor Agreement.

V. TRANSFERS

- A. Transfers between areas, site location within an area, or shifts within the job classification shall take place as follows:
 1. Upon written request to the Company, employee(s) may transfer to any opening, in any area, on any shift by using the posting/backfill sheet.
 2. In the event more than one (1) employee requests transfer to an opening, the preference shall be given to the employee with the greatest Company seniority.
 3. Vacancies created by the movement in one (1) above will be filled by an employee using the choices indicated on his/her *posting/backfill sheet, in order of Company seniority*. Each subsequent vacancy will follow the same process.
 4. The Company shall transfer an employee(s) within ten (10) working days from the date that the Company notifies the duly authorized Shop Representative and the employee that has been selected for such transfer. The Company may delay the transfer if it notifies the Shop Representative of a good and sufficient reason to do so.
 5. The Company shall not be obligated to make more than four (4) transfers in the course of filling an initial opening. This rule will not apply on promotional opportunities.

6. An employee shall not be permitted to make more than two (2) transfers in any rolling twelve (12) month period.

VI. EXCESS

- A. Excess occurs when the number of employees required within a Job Classification in an Area of Work must be reduced and when an opening in that Job Classification exists in other areas so that a cutback is not required.
- B. Excesses shall be relieved in the following manner:
 1. Volunteers shall be moved first in order of Company seniority per transfer language V.
 2. If there are no volunteers, employees with the least Company seniority shall be excessed.
 3. The employee(s) excessed can exercise greater Company seniority to claim jobs within that employee's job classification.
 4. The employee(s) displaced in 3., above, will follow the process in 3., above, all subsequent moves will follow this process.
 5. The employee(s) who does not have the Company seniority to claim a job will be assigned the opening within the Job Classification within the Custodial Services Seniority Unit.

VII. PROMOTIONS

- A. Promotions shall be in accordance with the Lines of Progression as set forth in the Promotion and Transfer Chart.
- B. The promotion will be offered to the employee who possesses:
 1. The greatest Company seniority, and
 2. The qualifications for the Opening

VIII. OUTSIDE HIRING

In the event no employee is promoted or transferred to an opening under the terms of Supplemental Agreement D., and Supplemental Agreement F., the Company shall fill openings by hiring qualified persons from the outside.

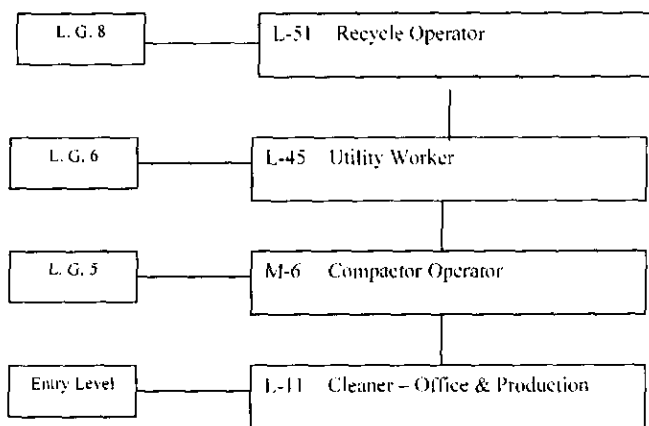
IX. BAR TO PROMOTION OR TRANSFER

- A. Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in promotions, transfers, or cutbacks to employees who have unsatisfactory work records in the job classifications to which they are assigned at the time. An unsatisfactory work record shall be defined as one which is established by virtue of demonstration of the facts to the Union at the time of the incident, and which concerns unsatisfactory quality of work, quantity of work, or adherence to rules and regulations.
- B. When employees fail to meet the performance standards of their job classifications and request downgrading rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement. Such employees shall not be considered for re-promotion to the Job Classifications from which they downgraded for a minimum of six (6) months and upon approval by Industrial Relations.

X. NEW JOB CLASSIFICATIONS

In the event of the establishment of new Job Classifications, the Company will discuss with the Union their placement on the Promotion and Transfer Chart.

PROMOTION AND TRANSFER CHART
BUILDING CUSTODIAL SERVICES SENIORITY UNIT



SUPPLEMENTAL AGREEMENT E

PROMOTIONS, TRANSFERS, CUTBACKS, AND DOWNGRADES WITHIN THE DISTRIBUTION SENIORITY UNIT

The Company and Union agree that this Supplemental Agreement, including the Distribution Promotion and Transfer Chart, shall serve as the basis for all Job Movements by employees in the Distribution Seniority Unit. Such Job Movements shall be made in accordance with the procedures described in this Supplemental Agreement.

I. DEFINITIONS

For the purpose of this Supplemental Agreement only, the following terms shall have the meanings indicated below:

A. Company Seniority

Company Seniority is determined by the length of continuous employment from the most recent date of an employee's hire into the Bargaining Unit covered by this Agreement.

B. Job

A Job is a coded unit within a solid box on the Distribution Seniority Unit Promotion and Transfer Chart (also referred to as job classification in the Agreement).

C. Classification

A Classification consists of jobs, as defined in B., above.

D. Job Status

The Job Status of an employee is the employee's permanent Classification, Shift Mode (as defined below), and Work Location (as defined below).

E. Work Locations

Work Locations, which are agreed upon by the Company and Union and may change from time to time, include but are not limited to, the following:

1. Webster EPDC – 210/215
2. VALO – 210 (S)
3. ALC - 214
4. ALC - 200

F. Opening

An Opening occurs when a need arises for an employee in a specific Job and Shift Mode within a Work Location.

G. Surplus

A Surplus occurs when an employee in a specific Job and Shift Mode within a Work Location is no longer required.

H. Promotion Condition

A Promotion Condition occurs when there are more Openings than Surpluses within a Classification.

I. Shift Modes

1. Straight days.
2. Four weeks or more on days to one week on nights.
3. Three weeks on days to one week on nights.
4. Two weeks on days to one week on nights.
5. One week on days to one week on nights.
6. One week on days to one week on nights, to one week on mid-nights.
7. Two weeks on days to one week on nights, or three weeks on days to one week on nights, or four weeks or more on days to one week on nights (day preference).

8. Voluntary fixed shifts.

9. Four x seven continuous shift.

J. Involuntary Downward Movement

This Movement occurs when the number of employees in a Classification is reduced.

K. Voluntary Upward Movement

This Movement occurs when there is a Promotion Condition in a Classification.

L. Movement Within Classification

1. Voluntary: *This Movement occurs when employees elect to change their Job Status.*

a. *Level One Volunteer: This type of Volunteer is an employee who volunteers to move to an Opening with another Job Status, thereby eliminating the need for another employee, who does not wish to move.*

b. *Level Two Volunteer: This type of Volunteer is an employee who volunteers to move to another Job Status held by another employee who is a Level One Volunteer.*

c. *Preference Movement: This type of Voluntary Movement by an employee occurs within a Classification when a Promotion Condition exists in that Classification.*

2. Involuntary: *This type of Involuntary Movement occurs when employees are required to change their Job Status.*

II. JOB PREFERENCE SHEET

A. In exercising their movement rights, employees shall indicate for:

1. Voluntary Upward Movement, their choice of Job Classification, Shift Mode, and Work Location.

2. Voluntary Movement within Classification, their choice of Shift Mode, and Work Location, and, if in the Entry Level, their choice of Job Classification, Shift and Work Location.
 3. Involuntary Movement within Classification, their choice of Shift Mode, and Work Location, and, if in the Entry Level, their choice of Job Classification, Shift and Work Location .
 4. Involuntary Downward Movement, their choice of Job Classification, Shift Mode, and Work Location.
- B. The Job Preference Sheet/IRIS shall serve as the primary basis for effectuating changes in Job Status, provided employees possess the necessary qualifications and seniority. The Company shall acknowledge receipt of the Job Preference Sheet through its registration and dating by the designated Staffing Representative.
- C. Employees shall be committed to those preferences indicated on their Job Preference Sheet/IRIS unless:
1. They elect to modify their indicated preference by submitting a revised Job Preference Sheet/IRIS to become effective as follows:
 - a. The revised Job Preference Sheet/IRIS, when registered, shall become effective on the first day of the month following the month when registered, if so registered on or before the fifteenth of the month.
 - b. The Company notifies employees of a job move status posting, whereby employees wishing to change their registered preference shall have eight (8) working days from the date of notice and all preference sheets/IRIS shall be frozen for that job move. Employees on vacation during the eight (8) day period shall have the right to submit a new preference sheet/IRIS within two (2) work days of returning from vacation. Such changes must be requested via the Industrial Relations P&T office.
 2. Their Job Status Changes.
 - a. Such employees shall submit within fifteen (15) working days a new Job Preference Sheet/IRIS. If such employees fail to do so, they shall revert to the normal procedure described in C., 1., above.

- b. In the event that such employees have not submitted a new Job Preference Sheet/IRIS within the fifteen (15) day time period cited in 2., a., above and if:
 - (1) Such employees must be moved within fifteen (15) days following a change in Job Status, then the Company's designated Staffing Representatives shall request those employees to submit immediately a new Job Preference Sheet. If such employees fail to submit a new Job Preference Sheet/IRIS within twenty-four (24) hours, they shall be moved to any Opening within their Classification, or to any Opening in a lower Classification in their Line of Progression.
 - (2) Such employees must be moved after fifteen (15) days following a change in Job Status, then such employees shall be moved to any Opening within their Classification, or to any Opening in a lower Classification in their Line of Progression.

III. GENERAL.

A. Movement within the Distribution Seniority Unit

Company Seniority shall be used for all types of movement within the Unit except as set forth in D. and E. below.

B. Movement in and out of the Distribution Seniority Unit.

- 1. When employees are bumped from the Seniority Unit to another Seniority Unit, they shall be moved in the order of least Company Seniority.
- 2. Employees who return to the Distribution Seniority Unit from other Seniority Units, shall return in the order of their Company seniority.

C. Layoff

Employees who leave the Distribution Seniority Unit as a result of Layoff shall do so in accordance with the provisions of Article VI., E., of the Basic Labor Agreement.

D. Movement Within, Into, and Out of Work Locations

With regard to Movement Within Work Locations, management can move employees, without resorting to the procedures described in this Supplemental Agreement, as long as their permanent shift mode and job are maintained. All other permanent movement shall take place only by following the procedures described in this Supplemental Agreement.

E. Movement Between Work Locations

1. Temporary moves between work locations shall be to the same job classification on the same shift. When operating needs, qualifications, availability, and training requirements are equal, seniority of employees to be transferred shall govern.

F. Movement methodology, as described in this Supplement, shall apply equally to all Classifications and all Work Locations. This Movement methodology shall be applied in the following order: Voluntary Downward Movement, Involuntary Downward Movement, Movement Within Classification (Voluntary and Involuntary), and Voluntary Upward Movement.

G. In situations involving involuntary downgrades (cutbacks) to the Entry Level, such employees will be seniority matched with entry level employees who are being subjected to involuntary movement within. Said employees will be moved in seniority order in accordance with their active job preference form on file.

IV. VOLUNTARY DOWNWARD MOVEMENT

- A. Employees in a Job above the Entry Level shall be permitted to downgrade voluntarily to a lower Job only in the current Line of Progression, or into the Entry Level.
- B. Employees who desire to downgrade voluntarily shall do so by indicating their preferences in writing on Company forms other than the Job Preference Sheet.
- C. Forms submitted under B., above, shall take effect immediately upon receipt by the designated Staffing Representative.
- D. An employee shall be permitted to downgrade voluntarily only to a Job in which a Promotion Condition exists.

- E. In the event that two (2) or more written requests are submitted for the same Job, then the employee with the greatest Company seniority shall be given preference.
- F. An employee shall not be permitted to downgrade voluntarily until a qualified employee has been assigned and trained as a replacement.
- G.
 - 1. Following a voluntary downgrade, employees shall not be permitted, for a period of six (6) months, (a) to move under Voluntary movement, as defined in I.,L.,1., c., or (b) to re-promote to their original Line of Progression, or (c) to re-promote within their current Line of Progression, unless junior employees enter the Classification and indicate a preference on their Job Preference Sheets which matches preferences of the voluntarily downgraded employees. In such instances, the voluntarily downgraded employees shall be permitted to move, prior to moving such junior employees.
 - 2. Employees who have voluntarily downgraded shall be allowed to promote to other Lines of Progression on the next Job move following the downgrade without being constrained by the six (6) month waiting period referred to in G.,1., above.
- II. The right of an employee to exercise the Voluntary Downgrade Movement option shall be subordinate to the right of employees in the desired lower Classification to exercise their Voluntary Movement Within Classification option.
 - 1. Employees may voluntarily downgrade to fill Openings provided they possess greater Seniority than any other employee who has indicated a preference to promote to the Classification in which the Promotion Condition exists.
 - J. An employee who voluntarily downgrades shall not be entitled to maintenance of rate.

V. INVOLUNTARY DOWNWARD MOVEMENT

- A. Employees, except those in the Entry Level, may indicate their desired Involuntary Downward Movement choices on their Job Preference Sheets as follows:

1. Classification

- a. Employees shall indicate the next lower Classification in the Line of Progression.
- b. Employees in the lowest Classification in their Line of Progression may indicate any Job within the Entry Level.

2. Shift Mode

As defined in I. DEFINITIONS, I. Shift Modes.

- B. When the number of employees in a Classification is to be reduced, the employee in that Classification who has the least Seniority shall be the first to be involuntarily downgraded (i.e., cut back from the Classification), or transferred from the Distribution Seniority Unit.
- C. Employees who are involuntarily downgraded shall be assigned a new Job Status in accordance with their Involuntary Downward Movement choices, Seniority, and the following sequence of steps for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1, then the employee shall be assigned to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2, then the employee shall be assigned to an existing Opening, created by Level Two Volunteer, which matches the indicated choice.
 4. Step 4: If the employee cannot be moved in Step 3, then that employee shall bump the most junior employee who has the Job Status which matches the indicated choice. If the employee must be involuntarily downgraded to the Entry Level, then the employee shall bump the most junior

employee in the Entry Level who is in the Job represented by the downgraded employee's Job choice in the CLASS column on the Job Preference Sheet and who also matches the Shift Mode and Work Location choices indicated by the downgraded employee.

5. Step 5: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 4, then that employee shall move directly to an Opening in the next lower Classification if a Promotion Condition exists.
 6. Step 6: If the employee cannot be moved in Step 5, then that employee shall be moved to the Job Status occupied by the most junior employee in the next lower Classification in a Line of Progression, or into the Entry Level.
 7. Step 7: If the employee cannot be moved in Step 6 because of insufficient seniority in the next lower Classification, then that employee's Shift choice and Work Location shall be honored in succeeding lower Classifications by repeating sequentially the procedures described in C., 1. through 7.
 8. Step 8: If the employee cannot be moved to an Opening in Step 7, above, then the employee shall be displaced from the Seniority Unit.
- D. Employees who are bumped under C., 4., above, shall be assigned a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps for each choice, starting with the first choice.
1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1, above, then the employee shall be assigned to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2, above, then the employee shall bump the most junior employee who has the Job Status which matches the indicated choice.
 4. Step 4: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 3, above, then the employee shall move directly to an existing Opening.

5. Step 5: If the employee cannot be moved in Step 4, above, then the employee shall bump the most junior employee in the Classification.
- E. Employees who are bumped under D., 3., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps, for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1., above, then the employee shall bump the most junior employee who has the job status which matches the indicated choice.
 3. Step 3: If the employee cannot be moved after sequentially exhausting the employee's choice in Step 2, above, then the employee shall move directly to an existing Opening.
 4. Step 4: If the employee cannot be moved in Step 3, above, then the employee shall bump the most junior employee in the Classification.

VI. MOVEMENT WITHIN CLASSIFICATION

- A. Employees may indicate their desired Voluntary Movement Within Classification choices, on their Job Preference Sheets as follows:
1. Classification
Employees shall indicate their current Classification in the "CLASS" column. Employees in the Entry Level may indicate their choice of Job Within The Entry Level.
 2. Shift Mode
As defined in I. DEFINITIONS, I. Shift Modes.
 3. Work Location
As defined in I. Definition, E. Work Locations.

- B. Employees may indicate their desired Involuntary Movement Within Classification choices, on their Job Preference Sheets, as follows:

1. *Classification*

Employees shall indicate their current Classification in the "CLASS" column. Employees in the Entry Level may indicate their choice of Job within the Entry Level.

2. *Shift Mode*

As defined in I. DEFINITIONS, I. Shift Modes.

3. *Work Location*

As defined in I. Definition, E., Work Location

- C. Surpluses within a Job shall be eliminated in accordance with the following procedures:

1. **Step 1:** When a Surplus occurs within a Job Classification within a Work Location, and an Opening exists within that same Job Classification in another Work Location, and such Surplus and Opening are on the same shift mode, then the Opening shall be filled first by a Senior Volunteer in the surplus work location moving directly to the Opening. If no volunteer exists, then the junior employee in the Surplus Work Location shall be moved directly to the Opening.

When a Surplus occurs within a Job Classification within a Work Location, and an Opening exists within that same Job Classification in another Work Location, and such Surplus and Opening are not on the same shift mode, then the senior employee in the Job Classification may exercise a Preference Move in accordance with F.1., Step 1 below. The Opening created by the movement of such Senior Volunteer shall be backfilled in the following order:

- a. Level Two volunteers from the Work Location with the Surpluses shall move to the Openings created above.

- b. The junior employees in the Classification in the Work Location with the Surpluses shall move directly to the Openings created above except:
- (1) When the junior employee is being surplusd from a Work Location, the employee shall be granted one additional job move in accordance with C.6 (Step 6) below.
2. Step 2: The most senior employees, up to the number of surpluses in the Work Location with the Surpluses, who have indicated a desire to change their Job Status, shall be moved as Level One Volunteers in order of seniority.
 3. Step 3: If Surpluses remain after completing Step 2, above, the most senior employees - up to the number of Surpluses in the Work Location with the Surpluses, who have indicated a desire to change their Job Status in the Voluntary Movement Within Classification section of their Job Preference Sheet shall be moved as Level Two Volunteers in order of seniority.
 4. Step 4: If Surpluses remain after completing Step 3, above, then the most junior employees in the Job Status of the Surpluses, whose Involuntary Movement Within Classification choices, beginning with the first choice, matches existing Openings - shall be assigned, in order of Seniority, to those Openings.
 5. Step 5: If Surpluses remain after completing Step 4, above, then the most junior employee in the Job Status of the Surpluses shall be assigned a new Job Status in accordance with that employee's Involuntary Movement Within Classification choices, starting with the first choice, and Seniority to an existing Opening, created by a Level One Volunteer, which matches the indicated choice.
 6. Step 6: If Surpluses remain after completing Step 5, above, then the most junior employee in the Job Status of the Surpluses shall be assigned a new Job Status - utilizing the same criteria as Step 4, above - by bumping the most junior employee who has the Job Status which matches the indicated choice.

7. Step 7: If Surpluses remain after completing Step 6, above, then the most junior employees in the Job Status of the Surpluses shall be moved directly, in order of Seniority, to an existing Opening.
 8. Step 8: If Surpluses remain after completing Step 7, above, then the most junior employees in the Job Status of the Surpluses shall bump, in order of Seniority, the junior employee.
- D. Employees who are bumped under C., 6., above, shall be assigned to a new Job Status in accordance with their Involuntary Movement Within Classification choices, Seniority, and the following sequence of steps, for each choice, starting with the first choice:
1. Step 1: The employee shall first be assigned to an existing Opening which matches the indicated choice.
 2. Step 2: If the employee cannot be moved in Step 1., above, then the employee shall bump the most junior employee who has the job status which matches the indicated choice.
 3. Step 3: If the employee cannot be moved in Step 2., above, then the employee shall move directly to an existing Opening.
 4. Step 4: If the employee cannot be moved in Step 3., above, then the employee shall bump the most junior employee in the Classification.
- E. If, after relieving Surpluses, Openings still exist, Preference Movement shall take place prior to commencing Voluntary Upward Movement. Employees who move under Preference Movement shall be assigned a new Job Status in accordance with their Voluntary Movement Within Classification choices, Seniority, and the following sequence of steps:
1. Step 1: The most senior employee -- whose indicated choices, starting with the highest choice, match the existing Opening, and who is changing Shift Mode, shall move to the Opening.
 2. Step 2: The Opening created by the employee moving in Step 1, above, shall be filled by the most senior employee whose indicated choices, starting with the highest choice, match the Opening.

3. Step 3: The Opening created after completing Steps 1 and 2, above, shall be filled by an employee moving under Voluntary Upward Movement.

VII. VOLUNTARY UPWARD MOVEMENT

- A. Employees may indicate their desired Voluntary Upward Movement choices on their Job Preference Sheets, as follows:
 1. Classification

Employees in Lines of Progression shall indicate only the next higher Job within their Line of Progression.
 2. Shift Mode

As defined in I. DEFINITIONS, I., Shift Modes.
 3. Work Location

As defined in I. DEFINITIONS, E., Work Location.
- B. Openings in the Entry Level, which remain after Preference Movement has taken place, shall be filled by those employees possessing the greatest Company Seniority among qualified employees in other Seniority Units who have submitted an appropriate request in accordance with the conditions of Supplemental Agreement F. If Openings remain after accommodating such employees, the Company shall hire qualified individuals directly into the Openings.
- C. Openings in Jobs above the Entry Level, which remain after Preference Movement has taken place, shall be filled by the most senior qualified employees in the next lower Jobs in the Line of Progression or in the Entry Level, whose indicated choices, starting with the highest choice, match the existing Opening.
- D. If Openings in Lines of Progression remain after completing C., above, then the Company shall post the Opening to the entire Seniority Unit for five (5) working days. The posting shall indicate the Classification, number of Openings, Shift Mode, and Work Location of the Openings. At the completion of the posting period, Openings shall be filled by the most senior qualified employees who have responded to the posting in accordance with the following sequence of steps:

1. Step 1: Employees in other Jobs which are below the Job immediately beneath Opening, by order of descending Jobs in the Line of Progression.
 2. Step 2: If Openings remain after completing Step 1, above, employees in the Entry Level.
 3. Step 3: If Openings remain after completing Step 2, above, employees in other Lines of Progression.
 4. Step 4: If Openings remain after completing Step 3, above employees in the Job immediately below the Job with the Opening who originally could have indicated the choice on their Job Preference Sheet, but did not do so.
- E. If Openings remain after completing D., above, the Company shall post the Openings to all other Seniority Units for five (5) working days. Employees possessing the greatest Company Seniority among qualified employees who respond to the posting shall fill the Openings.
- F. If Openings remain after completing E., above, the Company shall hire qualified individuals directly into the Openings.

VIII. CHANGES IN AGREEMENT

Any changes in this Supplemental Agreement, or in the Basic Labor Agreement, which may affect the status of this Supplemental Agreement, now or in the future, shall be discussed with the duly authorized representatives of the Union without voiding this Supplemental Agreement, in part, or in its entirety.

IX. CHANGES IN JOB QUALIFICATIONS

The Company shall advise the Union of any changes in job qualifications before such changes become effective.

X. GRIEVANCES

Should grievances develop in the application of this Supplemental Agreement, or should unusual circumstances develop wherein the application of one or more sections of this Supplemental Agreement results in a conflict of intent, such grievances or conflicts shall be treated in accordance with the Grievance Procedure of the Basic Labor Agreement.

XI. UNSATISFACTORY WORK RECORD

Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in Voluntary Upward Movement, Voluntary and Involuntary Movement Within Classification, or Involuntary Downward Movement of persons who have unsatisfactory work records in the Jobs to which they were assigned at the time. An unsatisfactory work record shall be defined as one which is established by virtue of demonstration of the facts to the Union at the time of the incident, and which concerns unsatisfactory quality of work, quantity of work, or adherence to rules and regulations.

XII. NEW JOBS

In the event of the establishment of new Jobs, the Company shall discuss their placement on the Promotion and Transfer Chart with the Union prior to such placement.

XIII. RETURN FROM LONG TERM ILLNESS

Employees who, after illness, return without physical restrictions which would prevent them from performing their customary work, shall be reassigned as follows:

- A. If they return to work within ninety (90) days from the commencement of absence due to illness, they shall be assigned to the same Job Status and department in which they worked immediately prior to illness.
- B. If they return to work after ninety (90) days, they shall be assigned to the same Job, Shift Mode, and, where practicable, the same Work Location and department in which they worked immediately prior to illness. These provisions shall not apply in the event that there have been normal and customary staffing changes which would have altered employees' entitlement to their original Job Status, in which case the employee shall be moved in accordance with the most recent Job Preference form on file. Employees who have been absent for more than one (1) year shall be required to complete a new Job Preference form upon their return to work and shall be moved in accordance with their revised form.

XIV. RETURN FROM ARMED SERVICES

Employees returning from serving in the Armed Services shall be afforded the same rights as those provided employees returning from long term illness.

XV. PROVISIONALLY PROMOTED EMPLOYEES AND EMPLOYEES
PROMOTED IN ERROR

See: Attachment B of Supplemental Agreement A

XVI. VOLUNTARY DOWNGRADES TO AVOID DISCIPLINE DUE TO
PERFORMANCE INADEQUACIES

- A. When employees in Jobs above the Entry Level I fail to meet the performance standards of their Job and request downgrading rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement and shall replace only those employees who are promoted to replace them. Such downgrading employees shall be subject to Article IV, G., of this Supplemental Agreement and shall not be entitled to re-promote to the Job from which they downgraded for one (1) year. If such employees exercise their rights, under this provision, to the same Job from which they were downgraded, they shall be required to complete an initial sixty (60) day probationary period. They shall be permanently downgraded if, during this probationary period, their performance, whether with respect to quality or quantity, still proves unsatisfactory.
- B. When employees in Jobs within the Entry Level fail to meet the performance standards of their Job and request transfer rather than become subject to disciplinary action, they shall be replaced in accordance with the terms of this Supplemental Agreement and shall replace only those employees who are transferred to replace them. Employees requesting such transfers shall be subject to Article IV., G. of this Supplemental Agreement and shall not be entitled to retransfer to the Job from which they transferred for one (1) year. If such employees exercise their rights, under this provision, to the same Job from which they transferred, they shall be required to complete an initial sixty (60) day probationary period. They shall be permanently retransferred if, during this probationary period, their performance, whether with respect to quality or quantity, still proves unsatisfactory.

XVII. VOLUNTARY FIXED SHIFTS

Employees may voluntarily choose a fixed shift and shall be free to terminate the fixed shift arrangement after a period of twelve (12) to fifteen (15) months, or earlier, if the hours of work are modified by the Company. Such employees shall be afforded their Involuntary Within Movement rights in accordance with their Company seniority and Job Preference Sheet choices.

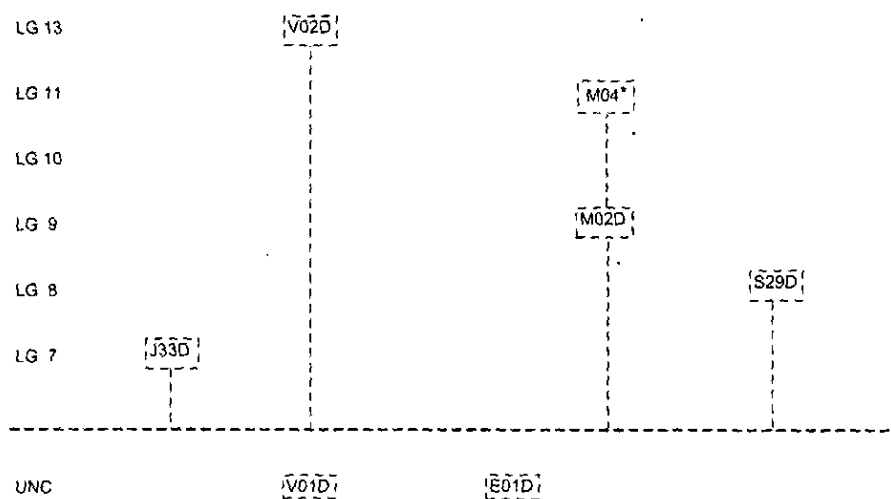
LAYOFFS

Employees cut back, who do not have sufficient Company Seniority to claim a position in the Distribution Seniority Unit shall be transferred from the Distribution Seniority Unit, or be laid off in accordance with the provisions of Article VI., E., of the Basic Labor Agreement.

IX. MISCELLANEOUS

- A. Employees as of June 4, 1994, who were assigned to the Distribution Seniority Unit and were assigned to the S-32, J-34, S-29, Q-1, M-2, J-33 Job Classifications shall have a one (1) time only grandperson right to exercise lateral or promotional move based upon their Company seniority to the Manufacturing Seniority Unit. The exercise of said right shall not subject the employee to the (36) month freeze provided for in Supplemental Agreement F.
- B. Employees in the M-2 Job Classification have a right, based upon their greater Company seniority, to promote to the M-4 Job Classification in the Manufacturing Seniority Unit. In addition, they will also retain the right to respond to posting for the M-2 and the K-5 classifications.

PROMOTION AND TRANSFER DISTRIBUTION SENIORITY UNIT



* The M04 classification remains with the "M" Seniority Unit.
It is referenced on this chart for Grandfathering purposes only

SUPPLEMENTAL AGREEMENT F

VOLUNTARY TRANSFERS BETWEEN

SENIORITY UNITS

In order to provide some flexibility to employees, while maintaining stability of the work forces in the various Seniority Units, the Company and the Union agree to the following principles whereby employees can be transferred, at their request, from one Seniority Unit to another.

- I. When openings occur within a Seniority Unit, the Company will post the opening(s) for a period of ten (10) work days, Wednesday through Tuesday. Effective 4/1/90, the duration of such postings will be reduced to five (5) workdays. Employees may apply for transfer to the posted Seniority Unit opening(s) by submitting a Request to Fill Posted Job Openings form directly to the Company Hourly Manpower Administrator by the deadline specified on the posting.
- II. Employees submitting such requests shall be considered only for each specific posting and, if not selected, must reapply each time that openings are posted. An employee on excused time off at the time of a posting will be entitled to bid for an opening which was posted during his/her absence within ten (10) work days (five (5) work days effective 4/1/90) of the employee's date of return from the excused absence.
- III. Employees so requesting transfer shall meet the entry requirements of the Seniority Unit for which they are requesting transfer. In the event that an employee does not meet those entry requirements, they shall be so advised and this request shall be withdrawn.
- IV. When employees from one Seniority Unit are selected for transfer to another Seniority Unit, they shall so transfer into Entry Jobs within their new Seniority Unit. Such transferred employees shall not have a right, by virtue of Seniority, to claim vacancies in higher level jobs ahead of employees previously assigned to the Seniority Unit. However, when employees so transferred between Seniority Units do meet the qualifications for promotion to a higher level job, the Company shall promote such employees prior to hiring new employees for the vacancy.
- V. Employees who so request and are transferred shall not be eligible for maintenance of earnings as provided in Article V., C., of the Basic Labor Agreement.

- VI. In any job move, no more than 15% of the employees in any one Seniority Unit shall be transferred out of that Seniority Unit unless agreed to by the parties on a case by case basis. The job move limitation will be 20% for the Custodial Seniority Unit.
- VII. Where more than one (1) employee in a Seniority Unit requests transfer in accordance with this Supplemental Agreement, the employee with the greatest Company seniority shall be first considered for transfer.
- VIII. Employees who are eligible to transfer voluntarily between Seniority Units under the terms of this Section must first satisfy any freeze period required under the Promotion and Transfer Agreements applicable to those employees.
- IX. Where more than one (1) employee has submitted a request for transfer from a Seniority Unit, and where all employees are otherwise eligible for transfer under the terms of this Supplemental Agreement, transfers shall be effected on a systematic and reasonable basis so as to minimize disruption of operations of the Seniority Unit from which the employees seek transfer.
- X. Employees from any other Seniority Unit may transfer between Seniority Units to claim vacancies in Jobs in the M-2 Stock Handler Classification within the Manufacturing Seniority Unit provided that they meet the minimum test standards established for that Job Classification. Such Promotion, Transfer and Downgrade requests shall be handled in accordance with the terms of Supplemental Agreement A - Promotions, Transfers, Cutbacks and Downgrades Within The Manufacturing Seniority Unit.

SUPPLEMENTAL AGREEMENT G

MAINTENANCE APPRENTICESHIP AGREEMENT

This Maintenance Apprenticeship Agreement has been entered into between XEROX CORPORATION, located at Stamford, Connecticut, hereinafter referred to as the "Company," and the XEROGRAPHIC DIVISION, Local 14A of the UNION OF NEEDLETRADES, INDUSTRIAL AND TEXTILE EMPLOYEE'S UNION, AFL-CIO, hereinafter referred to as the "Union."

I. DEFINITIONS

A. Agreement

The principal Collective Bargaining Agreement currently in effect between the Company and the Union.

B. Apprenticeship Program

A formal training program, referred to as the Program, designed to develop, within the Company, trained personnel in the Maintenance Skilled Trades job classifications.

C. Program Content and Duration

The Program shall be scheduled over a maximum four (4) year period and shall consist of an on-the-job skills training program of a maximum 8,000 hours, supplemented by a classroom program of not less than 576 hours whenever required.

D. Apprenticeship Contract

A contract (Appendix A) entered into between the Apprentice and the Company.

E. Training Records

All records and documentation as specified by the Company and developed for this Program.

F. Tools

The Company shall provide a number of personal tools for each candidate to use during and after the apprenticeship. The Joint Apprenticeship Committee shall determine the appropriate tools for each of the programs. In the event an Apprentice leaves the Program, that employee is liable for the replacement of all tools.

G. Joint Apprenticeship Committee

A Committee comprised of four (4) Company and four (4) Union representatives shall administer the Program according to the provisions outlined herein.

H. Supervisor of Apprenticeship

Supervisor of Apprenticeship shall mean the person designated by the Company responsible for coordinating the Program.

I. Registration Agency

Registration Agency shall mean the New York State Apprenticeship Council, or, in the absence of a State Council, the Bureau of Apprenticeship and Training, U.S. Department of Labor.

II. TERM OF AGREEMENT

This Supplement to the Agreement shall remain in effect during the term of that Agreement. To the extent that any of the terms and conditions of the Supplemental Agreement may conflict with the terms and conditions of the Basic Labor Agreement, the Supplemental Agreement shall prevail and take precedence.

III. PROGRAM ADMINISTRATION

A. Joint Apprenticeship Committee

The Company shall select as its four (4) Joint Apprenticeship Committee members the Industrial Relations representative of the Service and Maintenance Seniority Unit and three (3) representatives of Maintenance Operations. The Industrial Relations representative shall serve as the Chairperson of the Joint Apprenticeship Committee. The four (4) Union members of the Joint Apprenticeship Committee shall be the National Director, Xerographic Division, UNITE, AFL-CIO, or the Director's designated representative, the "S" Seniority Unit Shop Representative, and two "A" Classification employees representing two (2) of the job

classifications covered by this Supplemental Agreement. The duly authorized Shop Representative shall serve as Secretary of the Committee.

B. Joint Apprenticeship Committee Responsibilities

1. Review recommendations from the Supervisor of Apprenticeship for credit for prior training and experience.
2. Recommend to the Company, after periodically reviewing the job training and classroom performance of each Apprentice, such employee's continuance in, or termination from the Program.
3. Assure that the skills training phases of the Program are carried out for each Apprentice so as to provide diversified experience for each Apprentice in the Program.
4. Assure that the required training records are maintained by the Supervisor of Apprenticeship working with the appropriate Supervisor for each Apprentice.
5. Hear any suggestions or questions concerning the job training and/or classroom aspects of the Program which Apprentices have first raised with their immediate Supervisors, but which have remained unsettled after such discussion.
6. Hear and resolve any complaints of Apprentices arising from the administration of the Program.
7. Recommend to the Company and the Union any modifications, amendments, or additions to the Program.

IV. ADMINISTRATION

The Company shall designate a Supervisor of Apprenticeship who shall be responsible for the day-to-day administration of the Apprenticeship Program. Working with Supervision and the Joint Apprenticeship Committee, the duties of the said Supervisor of Apprenticeship shall include:

- A. Responsibility for adequate records showing the progress of each Apprentice.
- B. Reviewing related work experience progress with Supervision to assure that the Apprentice is obtaining the necessary on-the-job training.

C. Reporting to the Joint Apprenticeship Committee on the progress of the Program and the Apprentices within the Program.

D. Recommending to the Joint Apprenticeship Committee additions, revisions, or modifications to existing Programs.

V. ELIGIBILITY

A. Qualifications

Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in promotions, transfers, cutbacks, or entrance to a Company-sponsored Apprenticeship Program to those employees currently/formerly enrolled in the Company-sponsored Apprenticeship Program.

Employees involuntarily displaced from a Company-sponsored Apprenticeship Program shall not be precluded from entering another Company-sponsored Apprenticeship Program.

Selection of required Apprentices from among applicants for the Program shall be made without regard to race, sex, age, religion, color, national origin, or Vietnam War Era veteran status, provided such applicants meet the following minimum qualifications:

1. Education: Possesses a high school diploma, or its equivalent.
2. Physical: Meets the Company's pre-employment medical requirements and/or be free of any work restriction normally imposed by the Company as a result of medical tests.
3. Work Record: Possesses a satisfactory Work Record with respect to adherence to Company Rules and Regulations and performance on the job.
4. Aptitude: Attains passing scores, as determined by the Company, on tests selected and administered by the Company.

B. Procedure For Filling Openings

The number of openings shall be determined by the Company. Notice of such openings shall be posted on all appropriate bulletin boards and such notice shall also be communicated to the Union. The Company shall receive applications for consideration for such openings for a period of thirty (30) calendar days commencing with the first day of posting. Openings shall be filled in accordance with the provisions of Article IX, F.,

4.. of the Basic Labor Agreement. Employees with the super-seniority described in that Article shall be selected on the basis of the longest continuous service in the Service and Maintenance Seniority Unit. In the event that employees with such super-seniority fail to express interest in or to qualify for such openings, then such openings shall be filled in the order of the following priority:

1. Employees of the Maintenance Helper classification
2. Qualified employees from other seniority units, in accordance with the provisions of Article IX., D., of the Basic Labor Agreement, and.
3. New hires

C. Future Staffing

Where Apprentice Programs exist or are added, it is the intent of the Company to meet its future needs for entry level Skilled Trades Job Classification employees through the Program insofar as is practicable.

VI. APPRENTICESHIP CONTRACT

- A. Each Apprentice shall enter into a contract with the Company (see Appendix A). Either the Company or the Apprentice may terminate this contract at any time based upon conditions outlined and set forth in this Supplement.
- B. The following parties shall receive copies of the contract: the Apprentice, the Company, the Joint Apprenticeship Committee, the Secretary of Local 14A, and the Rochester Joint Board of Union of Needletrades, Industrial & Textile Employees.

VII. APPRENTICES' RESPONSIBILITIES

Apprentices are expected to recognize the following obligations and responsibilities:

- A. To perform and complete diligently and faithfully skills training and classroom duties and assignments and such other pertinent tasks as are assigned by the Company.
- B. To respect and protect Company property and equipment and abide by Company rules and regulations.
- C. To maintain such records as may be required by the Company.

- D. To develop and practice safe working habits, and conduct themselves in such a manner as to assure their own safety and that of their fellow workers.
- E. To conduct themselves at all times in a creditable, ethical, and moral manner with the realization that much time, money, and effort are spent to afford them an opportunity to become Skilled Trades employees.
- F. To pay all necessary charges for classroom work according to provisions of the Xerox Tuition Aid Plan.

VIII. PROBATIONARY PERIOD

Apprentices hired directly into the Program shall be on probation for a period of ninety (90) days. During this period, the Company shall have the unqualified right to suspend or dismiss Apprentices. Upon satisfactory completion of the probationary period, they shall become members of the Union in accordance with the terms of the Agreement.

IX. JOB CLASSIFICATION AND RATES

A. Rate Progression

- 1. Apprentices shall be granted increases in their base rate following the wage progression schedule in Appendix B providing their total performance in the classroom and on the job is judged satisfactory by the Company, with review by the Joint Apprenticeship Committee.
- 2. Apprentices whose total performance is not satisfactory at the time they are scheduled to receive an increase, but who are recommended for retention in the Program by the Company shall receive no increase. The Company may recommend review of the Apprentices' performance by the Joint Apprenticeship Committee three (3) months following the date they were originally scheduled to receive an increase to determine if the Apprentices should receive the increase, or be removed from the Program, or be placed on probation for an additional three (3) months.
- 3. The Company may recommend to the Joint Apprenticeship Committee a delay in the granting of a progression increase in those instances where Apprentices' absence record at work and/or in classroom sessions has resulted in incomplete training during the time period involved.

4. Under no circumstances shall Apprentices, while in the programs, receive an hourly base rate in excess of the maximum rate payable at the appropriate level of their progression schedule.

B. Credit For Prior Training

Credit for prior training and experience may be granted in increments of a full year, not to exceed two (2) years. Employees granted credit shall receive the twelve or twenty-four month rate and shall progress from that point according to the schedule. In unusual circumstances, the Company and the Union may mutually agree to grant credit in increments other than full years.

C. Maintenance of Rate

The Maintenance of Rate provisions, as provided in Article V, C. of the Basic Labor Agreement shall not apply to Apprentices.

X. WORKING HOURS

Apprentices shall work a normal forty (40) hour week, Monday through Friday, unless otherwise scheduled by the Company. However, no hours worked in excess of forty (40) in any one (1) week shall be credited toward completion of skills training hours requirements. Classroom training shall be taken on the Apprentices' own time and shall not be considered as hours worked in the Program.

XI. TRAINING REQUIREMENTS

The twelve month Program year, unless otherwise recommended by the Joint Apprenticeship Committee and approved by the Company, shall begin in either of two periods: (1) the period between June 1 and not later than September 15 of any year, or (2) November 1 and not later than February 15 of any year. Apprentices must satisfactorily complete the schedule of apprenticeship training, with the understanding that the Company reserves the right to alter any part of the classroom training as deemed necessary. On-the-job training shall normally be carried out under the guidance of employees of the corresponding Skilled Trades job classifications and under the overall direction of a Supervisor. A record of training assignments shall be kept for each Apprentice.

XII. JOB STATUS OF EMPLOYEES WHO LEAVE THE PROGRAM

Employees may voluntarily remove themselves from either the Maintenance Helper classification or an apprentice program or be removed from the aforementioned job classifications when either their performance fails to meet the standards established by the Company or the Joint Apprenticeship Committee.

The Registration Agency shall be notified of employees removed from apprentice programs.

- A. Employees who are removed from the Helper classification or an apprentice program for any reason and who are retained on the payroll shall be placed in accordance with the following:
 - 1. Fill any entry level job opening in the seniority unit to which the employee was permanently assigned prior to entering either the Maintenance Helper classification or an apprentice program.
 - 2. If no entry level opening exists in the respective seniority unit, the removed employee may displace the junior entry level employee provided the removed employee possesses greater seniority than the employee to be displaced.
 - 3. Employees displaced from a seniority unit as per 2 above, shall be placed in accordance with Article VI., E., of the Basic Labor Agreement.

Direct hires into either the Maintenance Helper classification or into any Maintenance skilled trades apprentice program shall be placed in the Service and Maintenance Seniority Unit in accordance with XII., A., above.

XIII. CUTBACK PROCEDURE

In the event of a cutback in a Skilled Trades job classification, the Skilled Trades employee and Apprentice in the affected job classification shall be cut back in the following manner:

- A. Before any Skilled Trades employee in a particular Skilled Trades job classification can be cut back, all Apprentices in that particular Skilled Trades job classification, who are not in the final year of the Program, shall be cut back by Skilled Trades seniority. Those Apprentices cut back shall have the right to bump employees in the Non-Skilled Trades job classifications, using their greater Company seniority, except in the I.-21 Job Classification, unless they have prior Company experience in the I.-21 Job Classification.
- B. If additional cutbacks are required, Skilled Trades employees in the affected job classification shall be cut back by Skilled Trades seniority.

- C. Apprentices in the final year of the Program shall not be cut back from the affected job classification until they complete the Program. However, they shall be cut back prior to graduation whenever the provisions of Article XV of this Supplemental Agreement are implemented.
- D. If there are no openings in the Skilled Trades job classification from which Apprentices graduate, the graduating Apprentices shall use their Company seniority to bump employees in any Non-Skilled job classification, other than L-21, unless they have had prior Company experience in the L-21 Job Classification.
- E. Except as otherwise provided, employees who have been cut back from an Apprentice job classification shall have first preference to fill subsequent newly created vacancies in that job classification if they accept such assignment on the occasion of its first availability to them. Their initial Skilled Trades seniority date shall be used to determine their eligibility for reassignment to the Program, as well as for all future promotions, transfers, cutbacks, and downgrades within the Maintenance Skilled Trades job classifications.

If disability prevents employees from accepting reassignment to the Apprentice job classification from which they had been cut back, they shall have first preference to fill only subsequent newly created vacancies in that job classification that occur following their recovery from that disability. Their initial Skilled Trades seniority date shall apply, as provided above.

- F. Cutback Apprentices, who remain on the payroll, shall continue to attend the classroom sessions until the completion of the current school term.

XIV. GRADUATE APPRENTICES

A. Certification

Apprentices who have successfully completed the Program shall receive an appropriate certification of completion from the Company. In addition, the Joint Apprenticeship Committee shall request the N.Y.S. Apprenticeship Council to issue a certificate of completion.

B. Job Placement

In the event of job openings in a Skilled Trades job classification, the Company shall post these openings before the time when any Apprentice in that job classification is scheduled to graduate. The graduating Apprentices shall be assigned to vacancies in the Skilled Trades entry level job classifications that correspond to their Program, provided that there are no Skilled Trades employees cut back or laid off from the posted job classifications.

If there are no vacancies in the Skilled Trades entry level job classifications that correspond to their Program, the graduating Apprentices shall be cut back in accordance with the provisions of Section XIII of this Supplemental Agreement. Apprentices so cut back under these provisions shall be maintained at the appropriate Skilled Trades entry level job classification rate in accordance with the terms of Article V., C., 2 and 3 of the Basic Labor Agreement.

C. Future Promotion

Employees who successfully complete an Apprentice Program other than the Maintenance Painter Program shall be eligible for promotion to the "A" Classification after two years in the "B" Classification.

XV. SIZE AND CONTINUATION OF PROGRAM

The Company shall determine the total number of Apprentices in the Program at any time. The Company shall also decide whether to continue the Program.

XVI. ADJUSTMENT OF DIFFERENCES

Except as otherwise specifically provided in this Supplement, any disputes arising out of application of the terms of this Supplement which are not resolved by the Joint Apprenticeship Committee may become the subject of a Grievance under Article XI. of the Basic Labor Agreement.

APPENDIX A

MAINTENANCE APPRENTICESHIP CONTRACT

This contract entered into this ___ day of ___, 20___, between ___ born ___, (hereinafter referred to as the Apprentice) and Xerox Corporation (hereinafter referred to as the Company) covers the terms and conditions contained in an agreement entitled, "A Maintenance Apprenticeship Agreement between Xerox Corporation and the Xerographic Division, Local 14A of Union of Needletrades, Industrial & Textile Employees, AFL-CIO" (hereinafter referred to as the Union).

The Company agrees to employ the Apprentice for the purpose of training the Apprentice, in conformance with the terms and conditions contained in the Agreement, in the trade of ___. Program registered ___.

The Apprentice agrees to work diligently and faithfully in fulfilling the classroom and skills training requirements contained in the Agreement.

The term of Apprenticeship shall begin on ___ day of ___, 20___, and shall terminate upon the successful completion by the Apprentice of ___ hours, less ___ credit for previous experience. The Apprentice shall attend classes of related instruction for a minimum of 144 hours for each year of apprenticeship.

The Company or the Apprentice may terminate this contract at any time based on conditions outlined and set forth in the Agreement.

Apprentice
Address
City
Approved by

Employer
Address
City
for the employer on

Registered with the New York State Bureau of Apprentices Training

Administrator of Apprentices Training Date

APPENDIX B
MAINTENANCE SKILLED TRADES APPRENTICE
WAGE SCHEDULES

March 18, 2002

Apprentices who make satisfactory progress in classroom and related skills instruction shall receive increases during their Apprenticeship as follows:

CARPENTER

Hourly Base Rate

Start	\$18.75
6 months	\$19.31
12 months	\$19.87
18 months	\$20.41
24 months	\$20.97
30 months	\$21.53
36 months	\$22.09
42 months	\$22.64
48 months	\$23.19

**MECHANIC REPAIR & REBUILDER
WELDER - SHEET METAL
VEHICLE MECHANIC
PIPEFITTER**

Hourly Base Rate

Start	\$18.75
6 months	\$19.37
12 months	\$19.99
18 months	\$20.60
24 months	\$21.23
30 months	\$21.85
36 months	\$22.46
42 months	\$23.09
48 months	\$23.66

MAINTENANCE SKILLED TRADES APPRENTICE

WAGE SCHEDULES

March 18, 2002

ELECTRICIAN

Hourly Base Rate

Start	\$18.75
6 months	\$19.41
12 months	\$20.07
18 months	\$20.73
24 months	\$21.39
30 months	\$22.05
36 months	\$22.70
42 months	\$23.34
48 months	\$23.95

PAINTER

Hourly Base Rate

Start	\$18.75
6 months	\$19.92
12 months	\$21.11
18 months	\$22.28
24 months	\$23.43

MAINTENANCE SKILLED TRADES APPRENTICE

WAGE SCHEDULES

March 17, 2003

Apprentices who make satisfactory progress in classroom and related skills instruction shall receive increases during their Apprenticeship as follows:

CARPENTER

Hourly Base Rate

Start	\$19.31
6 months	\$19.91
12 months	\$20.52
18 months	\$21.12
24 months	\$20.97
30 months	\$21.72
36 months	\$22.32
42 months	\$23.53
48 months	\$24.13

MECHANIC REPAIR & REBUILDER WELDER – SHEET METAL VEHICLE MECHANIC PIPEFITTER

Hourly Base Rate

Start	\$19.31
6 months	\$19.98
12 months	\$20.65
18 months	\$21.32
24 months	\$21.99
30 months	\$22.66
36 months	\$23.33
42 months	\$24.00
48 months	\$24.67

MAINTENANCE SKILLED TRADES APPRENTICE

WAGE SCHEDULES

March 17, 2003

ELECTRICIAN

Hourly Base Rate

Start	\$19.31
6 months	\$20.01
12 months	\$20.70
18 months	\$21.40
24 months	\$22.09
30 months	\$22.79
36 months	\$23.48
42 months	\$24.18
48 months	\$24.87

PAINTER

Hourly Base Rate

Start	\$19.31
6 months	\$20.58
12 months	\$21.84
18 months	\$23.11
24 months	\$24.37

MAINTENANCE SKILLED TRADES APPRENTICE

WAGE SCHEDULES

March 15, 2004

Apprentices who make satisfactory progress in classroom and related skills instruction shall receive increases during their Apprenticeship as follows:

CARPENTER

Hourly Base Rate

Start	\$19.89
6 months	\$20.54
12 months	\$21.19
18 months	\$21.84
24 months	\$22.50
30 months	\$23.15
36 months	\$23.80
42 months	\$24.45
48 months	\$25.10

MECHANIC REPAIR & REBUILDER WELDER - SHEET METAL VEHICLE MECHANIC PIPEFITTER

Hourly Base Rate

Start	\$19.89
6 months	\$20.61
12 months	\$21.32
18 months	\$22.04
24 months	\$22.76
30 months	\$23.47
36 months	\$24.19
42 months	\$24.90
48 months	\$25.62

MAINTENANCE SKILLED TRADES APPRENTICE

WAGE SCHEDULES

March 15, 2004

ELECTRICIAN

Hourly Base Rate

Start	\$19.89
6 months	\$20.64
12 months	\$21.38
18 months	\$22.13
24 months	\$22.88
30 months	\$23.62
36 months	\$24.37
42 months	\$25.11
48 months	\$25.86

PAINTER

Hourly Base Rate

Start	\$19.89
6 months	\$21.27
12 months	\$22.65
18 months	\$24.03
24 months	\$25.41

SUPPLEMENTAL AGREEMENT II

TOOL MAKER/EXPERIMENTAL MECHANIC

APPRENTICESHIP AGREEMENT

This Tool Maker/Experimental Mechanic Apprenticeship Agreement has been entered into between XEROX CORPORATION, located at Stamford, Connecticut, hereinafter referred to as the "Company," and the XEROGRAPHIC DIVISION, Local 14A of the UNION OF NEEDLETRADES, INDUSTRIAL & TEXTILE EMPLOYEES, AFL-CIO, hereinafter referred to as the "Union."

I. DEFINITIONS

A. Agreement

The principal Collective Bargaining Agreement currently in effect between the Company and the Union.

B. Apprenticeship Program

A formal training program, hereinafter referred to as the Program, designed to develop, within the Company, trained and qualified Tool Makers/Experimental Mechanics..

C. Program Content and Duration

The Program shall be scheduled over a four (4) year period and shall consist of an on-the-job skills training program of no less than 8,000 hours, supplemented by a classroom program of no less than 420 hours.

D. Apprenticeship Contract

A contract (Appendix A) entered into between a Tool Maker/Experimental Mechanic Apprentice and the Company.

E. Training Records

All records and documentation as specified by the Company and developed for this Program.

F. Tools

The Company shall provide a number of personal tools for each candidate to use during and after the apprenticeship. The Joint Apprenticeship Committee shall determine the appropriate tools for each of the programs. In the event an Apprentice leaves the Program, that employee is liable for the replacement of all tools. Upon successful completion of the Apprenticeship Program, the tools become the property of the employee.

G. Joint Apprenticeship Committee

A Committee comprised of five (5) Company and five (5) Union representatives who shall administer the Program according to the provisions outlined herein.

II. TERM OF AGREEMENT

This Supplemental Agreement to the Basic Labor Agreement between the Company and the Union shall remain in effect during the term of that Basic Labor Agreement. To the extent that any of the terms and conditions of this Supplemental Agreement may conflict with the terms and conditions of the Basic Labor Agreement, the Supplemental Agreement shall prevail and take precedence.

III. PROGRAM ADMINISTRATION

A. Joint Apprenticeship Committee

The Company shall select as its five (5) Joint Apprenticeship Committee members, from among its staff, a representative of the training function, the Industrial Relations function, and three (3) representatives from Tool Room/Model Shop Supervision. The Industrial Relations representative shall serve as the Chairman of the Joint Apprenticeship Committee. The five (5) Union members of the Joint Apprenticeship Committee shall be the National Director, Xerographic Division, UNITE, AFL-CIO, or the Director's designated representative, three (3), Tool Makers/Experimental Mechanics AA's representing both Tool Rooms and Model Shops, and the Tool Room/Model Shop Shop Representative. The Tool Room/Model Shop Shop Representative shall be regarded as a member of the Joint Apprenticeship Committee. However, for purposes of voting, if and whenever required, the Union shall continue to have only five (5) votes.

B. Joint Apprenticeship Committee Responsibilities

1. Review the recommended apprenticeship level of qualified applicants for the Program and accept or modify that recommendation on the basis of standard ToolMaker/Experimental Mechanic Apprenticeship requirements.
2. Recommend to the Company, after periodically reviewing the job training and classroom progress and performance of all Apprentices, their continuance in, advancement in, or termination from the Program.
3. Assure that the skills training phases of the Program are carried out for all Apprentices so as to provide diversified experience for all Apprentices in the Program.
4. Assure that the required training records are properly maintained by the appropriate Supervisor of the Apprentice.
5. Hear any suggestions or questions concerning the job training and classroom aspects of the Program which Apprentices have first raised with their immediate Supervisor, but which have remained unsettled after such discussion.
6. Hear and resolve pertinent complaints of Apprentices arising from the administration of the Program.
7. Utilize the services of competent consultants retained by the Company.

IV. ELIGIBILITY FOR PROGRAM

A. Qualifications

Selection of required Apprentices from among applicants for the Program shall be made without regard to race, sex, religion, color, national origin, or Vietnam War Era veteran status, provided such applicants meet the following minimum qualifications:

1. Education: Possess a high school diploma or its equivalent.
2. Physical: Meet the Company's pre-employment medical requirement and/or be free of any work restriction normally imposed by the Company as a result of medical tests.

3. Work Record: Possess a satisfactory work record with respect to adherence to Company Rules and Regulations.
4. Aptitude: Attain passing scores, as determined by the Company, on tests selected and administered by the Company.

B. Priority in Selection of Applicants

Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in promotions, transfers, cutbacks, or entrance to a Company-sponsored Apprenticeship Program to those employees currently/formerly enrolled in a Company-sponsored Apprenticeship Program.

Employees involuntarily displaced from a Company sponsored Apprenticeship Program shall not be precluded from entering another Company sponsored Apprenticeship Program.

Openings in the Program shall be offered to qualified applicants in the following order of priority:

1. Employees by order of Company seniority. Apprentices currently serving in any other Company Apprenticeship Program shall not be eligible for transfer to the Tool Maker/Experimental Mechanic Apprenticeship Program.
2. Outside Hires: Apprentices hired directly into the Program shall be on probation for a period of ninety (90) days. Upon satisfactory completion of the probationary period, they shall become members of the Union in accordance with the terms of the Basic Labor Agreement.

C. Transfer Procedure

The Company shall notify all duly authorized Shop Representatives of all Program Openings. A time period of thirty (30) days after this notification shall be provided for employees to submit, in writing, a request for entrance into the Program. This request shall be made through the employees' Supervisor and duly authorized Shop Representative on forms provided by the Company (see APPENDIX E).

D. Apprenticeship Entry Level into the Program

1. Tool Room/Model Shop supervision shall review the records of all qualified applicants and determine, according to the standard outlined in IV, D., 2., below, at what level Tool Maker/Experimental Mechanic Apprenticeship the applicants should enter the Program.
2. Credit for previous experience and training in any other recognized Tool Maker/Experimental Mechanic Apprenticeship Program may be given by the Company, provided Apprentices can satisfactorily demonstrate that they possess such experience and training. Such credit shall be given in equivalents of full years only and shall allow new Apprentices to enter at a level above that of the Tool Maker/Experimental Mechanic Apprentice I. The Joint Apprenticeship Committee shall review the recommended apprenticeship level and accept or modify that recommendation on the basis of such previous experience and training.

V. APPRENTICESHIP CONTRACT

- A. Apprentices shall enter into a contract with the Company (see Appendix A). Either the Company or the Apprentices may terminate this contract at any time based upon conditions outlined and set forth in this Supplement.
- B. The following parties shall receive copies of the contract: the Apprentices, the Company, the Joint Apprenticeship Committee, the Secretary of Local 14A, and the Rochester Joint Board of the Union of Needletrades, Industrial & Textile Employees.

VI. APPRENTICES' RESPONSIBILITIES

Apprentices are expected to recognize the following obligations and responsibilities:

- A. To perform and complete diligently and faithfully skills training and classroom duties and assignments and such other pertinent tasks as are assigned by the Company.
- B. To respect and protect Company property and equipment and abide by Company Rules and Regulations.
- C. To maintain such records as may be required by the Company.

- D. To develop and practice safe working habits and conduct themselves in such a manner as to assure their own safety and that of their fellow workers.
- E. To conduct themselves at all times in a creditable, ethical, and moral manner with the realization that much time, money, and effort are spent to afford them an opportunity to become Skilled Trades employees.

VII. JOB CLASSIFICATION AND RATES

A. Apprenticeship Training Levels

1. A permanent job classification with four (4) training levels is hereby established for the Tool Maker/Experimental Mechanic Apprentices.
2. Candidates accepted by the Company at any of the four (4) designated job levels shall, upon assignment, receive the beginning hourly base rate applicable to that level. Maintenance of rate, as provided in Article V, C. of the Basic Labor Agreement, shall not apply to employees who transfer into the Program.

B. Rate Progression

All Apprentices shall be given an increase to their hourly base rate every six (6) months while they are in the Program in accordance with the following schedule, but subject to Article VII., C., 3., of this Supplement.

**TOOL ROOM/MODEL MAKER/EXPERIMENTAL APPRENTICE
RATE CHART**

Effective March 18, 2002

<u>JOB LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
ToolMaker/Exp. Mech. Apprentice I	6	\$18.75 19.55
ToolMaker/Exp. Mech. Apprentice II	12 18	20.34 21.14
ToolMaker/Exp. Mech. Apprentice III	24 30	21.93 22.73
ToolMaker/Exp. Mech. Apprentice IV	36 42 48	23.52 24.05 25.11

**TOOL ROOM/MODEL MAKER/EXPERIMENTAL APPRENTICE
RATE CHART**

Effective March 17, 2003

<u>JOB LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
ToolMaker/Exp. Mech. Apprentice I	6	\$19.31 20.17
ToolMaker/Exp. Mech. Apprentice II	12 18	21.02 21.88
ToolMaker/Exp. Mech. Apprentice III	24 30	22.74 23.59
ToolMaker/Exp. Mech. Apprentice IV	36 42 48	24.45 25.30 26.16

**TOOL ROOM/MODEL MAKER/EXPERIMENTAL APPRENTICE
RATE CHART**

Effective March 15, 2004

<u>JOB LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
ToolMaker/Exp. Mech. Apprentice I	6	\$19.89 20.80
ToolMaker/Exp. Mech. Apprentice II	12 18	21.70 22.61
ToolMaker/Exp. Mech. Apprentice III	24 30	23.51 24.42
ToolMaker/Exp. Mech. Apprentice IV	36 42 49	25.32 26.23 27.13

C. Job Level Progression

1. Apprentices whose total performance is considered satisfactory at the end of the apprentice year, as judged by the Joint Apprenticeship Committee and approved by the Company, shall advance to the next level of training and receive the appropriate beginning hourly base rate for that level.
2. Apprentices whose total performance is not satisfactory at the end of the apprentice year (as defined in Article IX. of this Supplement), but who are nevertheless recommended by the Joint Apprenticeship Committee and approved by the Company for retention in the Program, shall not progress to the next apprentice level. Such Apprentices shall receive no further progression increases until they have satisfied the appropriate requirements set forth by the Joint Apprenticeship Committee and approved by the Company. Upon entry into the next level, Apprentices shall receive the beginning rate for that level.

3. Under no circumstances shall Apprentices, while in the Program, receive an hourly base rate in excess of the maximum rate payable to their apprenticeship level.

VIII. WORKING HOURS

Apprentices shall work, straight days only, a normal forty (40) hour week, Monday through Friday, unless otherwise scheduled by the Company. However, no hours worked in excess of forty (40) in any one week shall be credited toward completion of skills training hours requirements. Classroom training shall be taken on the Apprentices' own time and shall not be considered as hours worked in the Program.

IX. TRAINING REQUIREMENTS

The twelve month Program year, unless otherwise recommended by the Joint Apprenticeship Committee and approved by the Company, shall begin in either of two periods: (1) the period between June 1 and not later than September 15 of any year, or (2) November 1 and not later than February 15 of any year. Apprentices must satisfactorily complete four (4) full years of apprenticeship training as outlined in Appendices B and C of this Supplement with the understanding that the Company reserves the right to alter any part of the classroom training as deemed necessary. Skills training shall be carried out under the immediate guidance of a fully qualified Tool Maker/Experimental Mechanic, but under the overall direction of a Tool Room or Model Shop Supervisor. A record of training assignments shall be kept for each Apprentice (see Appendix D of this Supplement) by the Tool Room or Model Shop Supervisor.

X. JOB RIGHTS OF EMPLOYEES WHO LEAVE THE PROGRAM

A. Program Probation Period

All employees who transfer into the Program and new hires who enter the Program shall be considered to be on probation for ninety (90) days in the Program and may be removed during that time at the sole discretion of the Company.

B. Definition of Involuntary Removal

Involuntary removal from the Program shall occur when the performance of employees fails to meet the standards of the Program, as judged by the Joint Apprenticeship Committee and confirmed by the Company, or when employees are removed by the Company during the probationary period.

C. Involuntary Removal of Transferees

Transferees into the Program who are involuntarily removed from the Program shall be reassigned according to the provisions listed below, and shall be paid the rate for the job classification.

1. Manufacturing Seniority Unit transferees who had been assigned to a job classification above the Entry Level immediately prior to entry into the Program shall be assigned in the following sequence in the Manufacturing Seniority Unit:
 - a. Any Opening in that job classification to which they had been assigned immediately prior to their entry into the Program.
 - b. The first available Job Opening, for which they are qualified, below their former job classification and in the same Line of Progression.
 - c. Any Opening in any job classification in the Entry Level.
 - d. The job classification in the Entry Level occupied by the persons with the least Company seniority, provided the ex-Apprentices have greater Company seniority than the persons to be bumped.
 - e. They shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement.
2. Manufacturing Seniority Unit transferees who had been assigned to a job classification in the Entry Level immediately prior to entry into the Program shall be assigned in the following sequence in the Manufacturing Seniority Unit:
 - a. Any Opening in the Entry Level.
 - b. The job classification in the Entry Level occupied by the persons with the least Company Seniority, provided the ex-Apprentices have greater Company Seniority than the persons to be bumped.
 - c. They shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement.

3. Transferees from the Seniority Units other than the Manufacturing Seniority Unit shall be assigned to the job classification in the Entry Level of the Manufacturing Seniority Unit occupied by the persons with the least Company Seniority, provided the ex-Apprentices have greater Company Seniority than the persons to be bumped.
 - a. If the ex-Apprentices do not possess sufficient Company seniority to bump the least senior employee in the Manufacturing Seniority Unit, then the ex-Apprentices will be assigned in accordance with provisions of Article VI., E., of the Basic Labor Agreement.

D. Voluntary Withdrawal of Transfers

Tool Maker/Experimental Mechanic Apprentices who transferred into the Program and who voluntarily withdraw from the Program shall be reassigned according to the provisions listed below, and shall be paid the rate for the job classification to which they are assigned.

1. Manufacturing Seniority Unit transferees who had been assigned to a job classification above the Entry Level immediately prior to entry into the Program shall be subject to the terms of the Voluntary Downgrade provisions of Supplemental Agreement A.
2. All other transferees into the Program may be permitted to bump the persons with the least seniority in the Entry Level of the Manufacturing Seniority Unit, provided the ex-Apprentices have greater Company seniority than the persons to be bumped. Transferees shall be assigned in accordance with Article VI, E., of the Basic Labor Agreement in the event that they do not possess sufficient Company Seniority to exercise such bumping rights.

E. Direct Hires

1. Apprentices hired directly into the Program, who voluntarily withdraw or are involuntarily removed from the Program during the probationary period, shall be terminated from the employment of the Company.

2. Apprentices hired directly into the Program, who voluntarily withdraw or are involuntarily removed from the Program after the probationary period, shall be permitted to bump the persons with the least Company Seniority in the Entry Level of the Manufacturing Seniority Unit, provided the ex-Apprentices have greater seniority than the persons to be bumped. They shall be assigned in accordance with Article VI, E., of the Basic Labor Agreement in the event that they do not possess sufficient Company Seniority to exercise such bumping rights.

XI. TOOLMAKER/EXPERIMENTAL MECHANIC CUTBACKS

In the event of a cutback in any of the Tool Maker/Experimental Mechanic Job Classifications, the Tool Maker/Experimental Mechanic and Apprentice so affected shall be cut back in the following manner:

1. Before any Tool Maker/Experimental Mechanics are cut back, all Apprentices who are not in the fourth (4th) year of the Program shall be cut back in accordance with their Company seniority. Before any Tool Maker/Experimental Mechanics are cut back, all Apprentices who are not in the fourth year of the Program, shall be cut back in accordance with their Skilled Trades seniority.
2. Fourth (4th) year Apprentices shall not be cut back from the affected job classification until they complete the Program.
3. Apprentices cut back in accordance with the foregoing procedure shall be entitled to bump the least senior employee in the job classification to which the cutback Apprentices were assigned immediately prior to entering the Program, provided that the least senior employee in that job classification has less seniority than the cutback Apprentices.
4. In the event that cutback Apprentices do not have sufficient seniority to bump, or have not previously been assigned to any job classification in any seniority unit, they shall exercise bumping rights as provided in Article VI, E., of the Basic Labor Agreement.
5. No graduating Apprentice shall promote into Tool Maker/Experimental Mechanic Job Classifications until all cutback Tool Maker/Experimental Mechanics have been offered reinstatement in the Tool Maker/Experimental Mechanic Job Classification.

6. Cutback Apprentices shall have the first preference on future Openings in the Program.
7. Cutback Apprentices who remain on the payroll shall continue to attend the classroom sessions until the completion of the school term.

XII. GRADUATE APPRENTICES

A. Certification

Apprentices who have successfully completed the Program shall be so certified by the Company in formal manner.

B. Job Placement

Graduate Apprentices shall be assigned to job classifications in the following sequence of available Openings on the basis of their Company seniority: (1) W-54, Tool Maker/Experimental Mechanic B; or (2) W-13, Tool Room Machinist. Graduate Apprentices who have been assigned to W-13, Tool Room Machinist, shall promote to W-54, Tool Maker/Experimental Mechanic B, as Openings become available.

C. Unavailability of Openings

If no Openings exist in any of the aforementioned job classifications, graduate Apprentices shall be retained in the W-20 Job Classification for a period not to exceed three (3) months from the date of their certification by the Company. They shall thereafter be eligible for maintenance of rate in accordance with Article V., C., 2 and 3 of the Basic Labor Agreement.

D. Hourly Base Rates

The hourly base rate paid to graduate Apprentices who are assigned to a permanent job classification shall be the rate applicable to the job classification to which they are assigned.

XIII. SIZE AND CONTINUATION OF PROGRAM

For every five (5), outside, non-Xerox hires, the Company shall add one (1) internal employee to the Program.

The Company reserves its right to determine whether or not the Program shall continue.

APPENDIX A

XEROX CORPORATION

TOOLMAKER/EXPERIMENTAL MECHANIC

APPRENTICESHIP CONTRACT

This contract is entered into this ____ day of ____, 19__ between ____ born ____ (hereinafter referred to as the Apprentice) and Xerox Corporation (hereinafter referred to as the Company), and covers terms and conditions contained in an agreement entitled, "A Tool Maker/Experimental Mechanic Apprenticeship Agreement between Xerox Corporation and the Xerographic Division, Local 14A of the Union of Needletrades, Industrial & Textile Employees, A.F.L.-C.I.O." (hereinafter referred to as the Supplemental Agreement).

The Company agrees to employ the Apprentice for the purpose of training the Apprentice, in conformance with the terms and conditions contained in the Agreement, to become a fully qualified Tool Maker/Experimental Mechanic.

The Apprentice agrees to work diligently and faithfully in fulfilling the classroom and skills training requirements contained in the Supplemental Agreement which stipulates no less than 8,000 hours of skills training and no less than 576 hours of classroom training at an institution approved by the Company.

The apprenticeship shall begin on the ____ day of ____, 19__ and shall terminate upon the Apprentice's successful completion of the classroom and skills training requirements set forth in the Agreement.

Either the Company or the Apprentice may terminate this contract at any time on conditions outlined and set forth in the Agreement.

Signature of Apprentice Date

Company Representative Date

APPENDIX B

XEROX CORPORATION

TOOLMAKER/EXPERIMENTAL MECHANIC APPRENTICESHIP

EDUCATIONAL PROGRAM

During the four (4) years of apprenticeship, the Apprentice shall attend the Xerox Technical Training Center and complete the Program as outlined below.

REQUIRED COURSES

1st. Year	I	Engineering Drawing (Xerox Practices and Procedures) Mathematics (Algebra, Logarithms, Geometry and Trigonometry)
2nd. Year	II	Engineering Mechanics, Mechanics of Materials Fundamentals of Tool Design Principles of Hydraulics and Pneumatics
3rd. Year	III	Tool Making Gage Making Jigs and Fixtures Dies and Die Making Hardening and Tempering
4th. Year	IV	Elements of Chemistry Metallurgy of Iron, Steel and Non-ferrous Metals Heat Treatment...Iron and Carbon Steels Alloy Steels and Case Hardening Tool and Dies and: Any other related training programs which may be required by the Company.

APPENDIX C

TOOLMAKER/EXPERIMENTAL MECHANIC APPRENTICESHIP

SKILLS TRAINING PROGRAM

Job Level*	Type of Operation	Operation Code	Approximate Hours
I	Tool Crib: To include learning the names and types of tools and supplies required in the trade.	A	100
I	Band Saw: To include selection of saws, internal and external cutting, speeds, feeds, safety.	B	100
I,II	Drill Press: To include drill grinding, drilling reaming, counterboring, countersinking, tapping, speeds, feeds, safety.	C	200
I,II III,IV	Milling Machine: To include general set-up, end milling, face milling, slotting, vertical and horizontal milling, angle milling, boring, selection of cutters, speeds, feeds, safety.	D	1,000
I,II III,IV	Lathes: To include use of chucks and face plates straight turning, facing, tapping, threading, boring, set-up, speeds, feeds, safety.	E	500
I,II, III,IV	Surface Grinders: To include selection of grinding wheels, mounting and dressing wheels, forms, angle grinding, squaring, form tool and die form grinding, feeds, safety.	F	800

II	Shapers: To include tool bit grinding, holding work, surface and angle cutting, squaring, speeds, feeds, safety.	G	100
II	Heat Treating: To include types and treatment of tool steels, hardening, drawing, brazing, annealing, hardness testing, safety.	H	100
II,III	Cylindrical Grinder: To include selecting and mounting grinding wheel, straight and taper cylinder grinding, cutter, face and form grinding.	I	400
III	Internal Grinder: To include selecting and mounting grinding wheel, dressing wheel, mounting work in chuck, mounting work in face plate, rough and finish cuts.	J	100
III,IV	Tool and Die Repair: To include dismantling, repairing and rebuilding tools, jobs and fixtures, die sharpening, punch and die replacement, general die maintenance.	K	800
III,IV	Miscellaneous Processing: To include application and operation of bench grinders, end grinder, filing machine, belt sander, tapping machine, honing machine,	L	300

IV	Jigs, Fixture, Machine Building: To include layout, fitting, assembly, inspection and testing of jigs, fixtures, and special machinery.	M	1,000
IV	Simple Die Building: To include layout, fitting, assembly, inspection and testing of simple blank, pierce and form dies.	N	700
IV	Complete Die Building: To include layout, fitting, assembly, inspection and testing of complex progressive and compound dies.	O	700
IV	Tool and Die Set-up and Testing: To include punch press set-up, adjustment and operation.	P	100
IV	Jig Bore Grinder: To include all phases of jig boring and jig grinding such as general set-up, selection of speeds and feeds, cutting tools, boring, milling, grinding and safety.	Q	500
IV	Tool Design: To include tool design, orientation, detailing, drill jigs, gages, mill fixtures, assembly fixtures, die design and special projects.	R	500

*Skills training will generally begin at the job level indicated, but it will not necessarily be restricted to that particular job level.

APPENDIX D

XEROX CORPORATION

TOOLMAKER/EXPERIMENTAL MECHANIC APPRENTICESHIP PROGRAM

SKILLS TRAINING ASSIGNMENT RECORD

Name

Month 19

Hours Worked on Each Type of Operation

DAY A B C D E F G H I J K L M N O P

Brought Forward	Foreman's Initials
--------------------	-----------------------

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	

Evaluation of Performance with brief explanation, especially if problems exist.

Signature of Foreman

APPENDIX E

XEROX CORPORATION

REQUEST FOR TRANSFER TO

THE TOOL MAKER/EXPERIMENTAL MECHANIC APPRENTICESHIP PROGRAM

Instructions: Complete this form in duplicate. Submit Copy 1 to your Supervisor; submit Copy 2 to your duly authorized Shop Representative.

NAME CLASSIFICATION

DEPARTMENT SUPERVISOR

SHOP REPRESENTATIVE

I request consideration for assignment to the Tool Maker/Experimental Mechanic Apprenticeship Program. I understand that if I am accepted, my pay rate shall immediately be adjusted to that of the appropriate apprentice job level.

SIGNED DATE

COPY 1

Instructions to Supervisor: Please forward this copy to Manufacturing Division, Industrial Relations.

APPENDIX E (CONTINUED)

XEROX CORPORATION

REQUEST FOR TRANSFER TO THE

TOOLMAKER/EXPERIMENTAL MECHANIC APPRENTICESHIP PROGRAM

Instructions: Complete this form in duplicate. Submit Copy 1 to your Supervisor; submit Copy 2 to your duly authorized Shop Representative.

NAME

CLASSIFICATION

DEPARTMENT

SUPERVISOR

SHOP REPRESENTATIVE

I request consideration for assignment to the Tool Maker/Experimental Mechanic Apprenticeship Program. I understand that if I am accepted, my pay rate shall immediately be adjusted to that of the appropriate apprentice job level.

SIGNED

DATE

COPY 2

SUPPLEMENTAL AGREEMENT I

ELECTRICAL MODEL MAKER APPRENTICESHIP AGREEMENT

This Electrical Model Maker Apprenticeship Agreement has been entered into between XEROX CORPORATION, located at Stamford, Connecticut, hereinafter referred to as the "Company," and the XEROGRAPHIC DIVISION, Local 14A of the UNION OF NEEDLETRADES, INDUSTRIAL & TEXTILE EMPLOYEES, AFL-CIO, hereinafter referred to as the "Union."

I. DEFINITIONS

A. Agreement

The principal Collective Bargaining Agreement currently in effect between the Company and the Union.

B. Apprenticeship Program

A formal training program, hereinafter referred to as the Program, designed to develop, within the Company, trained and qualified Electrical Model Makers.

C. Program Content and Duration

The Program shall be scheduled over a four (4) year period and shall consist of an on-the-job skills training program of no less than 8,000 hours, supplemented by a classroom program of no less than 420 hours.

D. Apprenticeship Contract

A contract (Appendix A) entered into between an Electrical Model Maker Apprentice and the Company.

E. Training Records

All records and documentation as specified by the Company and developed for this Program.

F. Tools

The Company will provide a number of personal tools for each candidate to use during and after the apprenticeship. The Joint Apprenticeship Committee shall determine the appropriate tools for each of the programs. In the event an Apprentice leaves the Program, that employee is liable for the replacement of all tools. Upon successful completion of the Apprenticeship Program, the tools become the property of the employee.

G. Joint Apprenticeship Committee

A Committee comprised of three (3) Company and three (3) Union representatives who shall administer the Program according to the provisions outlined herein.

II. TERM OF AGREEMENT

This Supplemental Agreement to the Basic Labor Agreement between the Company and the Union shall remain in effect during the term of that Basic Labor Agreement. *To the extent that any of the terms and conditions of this Supplemental Agreement may conflict with the terms and conditions of the Basic Labor Agreement, the Supplemental Agreement shall prevail and take precedence.*

III. PROGRAM ADMINISTRATION

A. Joint Apprenticeship Committee

The Company shall select as its three (3) Joint Apprenticeship Committee members, from among its staff, a representative of the training function, the Industrial Relations function, and one (1) representatives from Electrical Model Shop Supervision. The Industrial Relations representative shall serve as the Chairman of the Joint Apprenticeship Committee. The three (3) Union members of the Joint Apprenticeship Committee shall be the National Director, Xerographic Division, UNITE, AFL-CIO, or the Director's designated representative, one (1) W-7 Electrical Model Makers AA's and the Tool Room/ Model Shop Shop Representative.

B. Joint Apprenticeship Committee Responsibilities

1. Review the recommended apprenticeship level of qualified applicants for the Program and accept or modify that recommendation on the basis of standard Electrical Model Maker Apprenticeship requirements.

2. Recommend to the Company, after periodically reviewing the job training and classroom progress and performance of all Apprentices, their continuance in, advancement in, or termination from the Program.
3. Assure that the skills training phases of the Program are carried out for all Apprentices so as to provide diversified experience for all Apprentices in the Program.
4. Assure that the required training records are properly maintained by the appropriate Supervisor of the Apprentices.
5. Hear any suggestions or questions concerning the job training and classroom aspects of the Program which Apprentices have first raised with their immediate Supervisor, but which have remained unsettled after such discussion.
6. Hear and resolve pertinent complaints of Apprentices arising from the administration of the Program.
7. Utilize the services of competent consultants retained by the Company.

IV. ELIGIBILITY FOR PROGRAM

A. Qualifications

Selection of required Apprentices from among applicants for the Program shall be made without regard to race, sex, religion, color, national origin, or Vietnam War Era veteran status, provided such applicants meet the following minimum qualifications:

1. Education: Possess a high school diploma or its equivalent.
2. Physical: Meet the Company's pre-employment medical requirements and/or be free of any work restriction normally imposed by the Company as a result of medical tests.
3. Work Record: Possess a satisfactory work record with respect to adherence to Company rules and Regulations.
4. Aptitude: Attain passing scores, as determined by the Company, on tests selected and administered by the Company.

B. Priority in Selection of Applicants

Nothing in this Supplemental Agreement shall be interpreted or implied to mean that the Company is required to offer consideration in promotions, transfers, cutbacks, or entrance to a Company-sponsored Apprenticeship Program to those employees currently/formerly enrolled in a Company-sponsored Apprenticeship Program.

Employees involuntarily displaced from a Company-sponsored Apprenticeship Program shall not be precluded from entering another Company-sponsored Apprenticeship Program.

Openings in the Program shall be offered to qualified applicants in the following order of priority:

1. Employees by order of Company Seniority. Apprentices currently serving in any other Company Apprenticeship Program shall not be eligible for transfer to the Electrical Model Maker Apprenticeship Program.
2. Outside Hire: Apprentice hired directly into the Program shall be on probation for a period of ninety (90) days. Upon satisfactory completion of the probationary period, they shall become members of the Union in accordance with the terms of the Basic Labor Agreement.

C. Transfer Procedure

The Company shall notify all duly authorized Shop Representatives of all Program Openings. A time period of thirty (30) days after this notification shall be provided for employees to submit, in writing, a request for entrance into the Program. This request shall be made through the employees' Supervisor and duly authorized Shop Representative on forms provided by the Company (see Appendix E).

D. Apprenticeship Entry Level into the Program

1. The Company shall review the records of all qualified applicants and determine, according to the standard outlined in IV, D., 2., below, at what level of Electrical Model Maker Apprenticeship the applicant should enter the Program.
2. Credit for previous experience and training in any other recognized Electrical Model Maker Apprenticeship program may be given by the Company, provided Apprentices can satisfactorily demonstrate

that they possess such experience and training. Such credit shall be given in equivalents of full years only and shall allow new Apprentices to enter at a level above that of the Electrical Model Maker Apprentice I. The Joint Apprenticeship Committee shall review the recommended apprenticeship level and accept or modify that recommendation on the basis of such previous experience and training.

V. APPRENTICESHIP CONTRACT

- A. Apprentices shall enter into a contract with the Company (see Appendix A). Either the Company or the Apprentices may terminate this contract at any time based upon conditions outlined and set forth in this Supplement.
- B. The following parties shall receive copies of the contract: the Apprentices, the Company, the Joint Apprenticeship Committee, the Secretary of Local 14A, and the Rochester Joint Board of the Union of Needletrades, Industrial & Textile Employees.

VI. APPRENTICES' RESPONSIBILITIES

Apprentices are expected to recognize the following obligations and responsibilities:

- A. To perform and complete diligently and faithfully skills training and classroom duties and assignments and such other pertinent tasks as are assigned by the Company.
- B. To respect and protect Company property and equipment and abide by Company Rules and Regulations.
- C. To maintain such records as may be required by the Company.
- D. To develop and practice safe working habits and conduct themselves in such a manner as to assure their own safety and that of their fellow workers.
- E. To conduct themselves at all times in a creditable, ethical, and moral manner with the realization that much time, money, and effort are spent to afford them an opportunity to become Skilled Trades employees.

VII. JOB CLASSIFICATION AND RATES

A. Apprenticeship Training Levels

1. One (1) permanent job classifications with four (4) training levels is hereby established for the Electrical Model Maker apprentices.
2. Candidates accepted by the Company at any of the four (4) designated job levels in the Electrical Model Maker apprenticeships in A., 1., above shall, upon assignment, receive the beginning hourly base rate applicable to that level. Maintenance of rate, as provided in Article V, C. of the Basic Labor Agreement shall not apply to employees who transfer into the Program.

B. Rate Progression

All Apprentices shall be given an increase to their hourly base rate every six (6) months while they are in the Program in accordance with the following schedule, but subject to Article VIII., C., 3., of this Supplement.

MODEL MAKER & EXPERIMENTAL MECHANIC ELECTRICAL APPRENTICE RATE CHART

Effective March 18, 2002

<u>APPRENTICE LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
Apprentice I		\$18.75
	6	19.55
Apprentice II	12	20.34
	18	21.14
Apprentice III	24	21.93
	30	22.73
Apprentice IV	36	23.52
	42	24.05
	48	25.11

**MODEL MAKER & EXPERIMENTAL MECHANIC ELECTRICAL APPRENTICE
RATE CHART**

Effective March 17, 2003

<u>APPRENTICE LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
Apprentice I	6	\$19.31
		20.17
Apprentice II	12	21.02
	18	21.88
Apprentice III	24	22.74
	30	23.59
Apprentice IV	36	24.45
	42	25.30
	48	26.16

**MODEL MAKER/EXPERIMENTAL MECHANIC ELECTRICAL APPRENTICE
RATE CHART**

Effective March 15, 2004

<u>APPRENTICE LEVEL</u>	<u>MONTHS TRAINING</u>	<u>RATE</u>
Apprentice I	6	\$19.89
		20.80
Apprentice II	12	21.70
	18	22.61
Apprentice III	24	23.51
	30	24.42
Apprentice IV	36	25.32
	42	26.23
	48	27.13

C. *Job Level Progression*

1. Apprentices whose total performance is considered satisfactory at the end of the apprentice year, as judged by the Joint Apprenticeship Committee and approved by the Company, shall advance to the next level of training and receive the appropriate beginning hourly base rate for that level.
2. Apprentices whose total performance is not satisfactory at the end of the apprentice year (as defined in Article IX. of this Supplement), but who are nevertheless recommended by the Joint Apprenticeship Committee and approved by the Company for retention in the Program, shall not progress to the next apprentice level. Such Apprentices shall receive no further progression increases until they have satisfied the appropriate requirements set forth by the Joint Apprenticeship Committee and by the Company. Upon entry into the next level, Apprentices shall receive the beginning rate for that level.
3. Under no circumstances shall Apprentices, while in the Program, receive an hourly base rate in excess of the maximum rate payable to their apprenticeship level.

VIII. *WORKING HOURS*

Apprentices shall work a normal forty (40) hour week, Monday through Friday, unless otherwise scheduled by the Company. However, no hours worked in excess of forty (40) in any one (1) week shall be credited toward completion of skills training hours requirements. Classroom activities outside of the vestibule training shop, whether Xerox conducted or taken at any university or college, shall be accomplished on the Apprentices' own time and shall not be considered as hours worked in the Program.

IX. *TRAINING REQUIREMENTS*

The twelve month Program year, unless otherwise recommended by the Joint Apprenticeship Committee and approved by the Company, shall begin in either of two periods: (1) the period between June 1 and not later than September 15 of any year, or (2) November 1 and not later than February 15 of any year. Apprentices must satisfactorily complete four (4) full years of apprenticeship training as outlined in Appendices B and C of this Supplement with the understanding that the Company reserves the right to alter any part of the classroom training as deemed necessary. Skills training shall be carried out under the immediate guidance of a fully qualified Electrical Model Maker, but under the overall direction of the Model Shop Supervisor, or training Supervisor. A record of

training assignments shall be kept for each Apprentice (see Appendix D of this Supplement) by the training Supervisor.

X. JOB RIGHTS OF EMPLOYEES WHO LEAVE THE PROGRAM

A. Program Probation Period

All employees who transfer into the Program and new hires who enter the Program shall be considered to be on probation for ninety (90) days in the Program and may be removed during that time at the sole discretion of the Company.

B. Definition of Involuntary Removal

Involuntary removal from the Program shall occur when the performance of employees fails to meet standards of the Program, as judged by the Joint Apprenticeship Committee and confirmed by the Company, or when employees are removed by the Company during the probationary period.

C. Involuntary Removal of Transferees

Transferees into the Program who are involuntarily removed from the Program shall be reassigned according to the provisions listed below, and shall be paid the rate for the job classification.

1. Manufacturing Seniority Unit transferees who had been assigned to a job classification above the Entry Level immediately prior to entry into the Program shall be assigned in the following sequence in the Manufacturing Seniority Unit:
 - a. Any Opening in that job classification to which they had been assigned immediately prior to their entry into the Program.
 - b. The first available Opening, for which they are qualified, below their former job classification and in the same Line of Progression.
 - c. Any opening in any job classification in the Entry Level.
 - d. The job classification in the Entry Level occupied by the persons with the least Company seniority, provided the ex-Apprentices have greater Company seniority than the persons to be bumped.

- e. They shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement.
2. Manufacturing Seniority Unit transferees who had been assigned to a job classification in the Entry Level immediately prior to entry into the Program shall be assigned in the following sequence in the Manufacturing Seniority Unit:
 - a. Any Opening in the Entry Level.
 - b. The job classification in the Entry Level occupied by the persons with the least Company Seniority, provided the ex-Apprentices have greater Company Seniority than the persons to be bumped.
 - c. They shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement.
3. Transferees from Seniority Units other than the Manufacturing Seniority Unit shall be assigned to the job classification in the Entry Level of the Manufacturing Seniority Unit occupied by the persons with the least Company seniority, provided the ex-Apprentices have greater Company seniority than the persons to be bumped.

If the ex-Apprentices do not possess sufficient Company seniority to bump the least senior employee in the Manufacturing Seniority Unit, then the ex-Apprentices shall be assigned in accordance with provisions of Article VI., E., of the Basic Labor Agreement.

D. Voluntary Withdrawal of Transferees

Electrical Model Maker Apprentices who transferred into the Program and who voluntarily withdraw from the Program shall be reassigned according to the provisions listed below, and shall be paid the rate for the job classification.

1. Manufacturing Seniority Unit transferees who had been assigned to a job classification above the Entry Level immediately prior to entry into the Program shall be subject to the terms of the Voluntary Downgrade provisions of Supplemental Agreement A.
2. All other transferees into the Program may be permitted to bump the persons with the least Company seniority in the Entry Level of the Manufacturing Seniority Unit, provided the ex-Apprentices have greater Company seniority than the persons to be bumped.

Transferees shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement in the event that they do not possess sufficient Company seniority to exercise such bumping rights.

E. Direct Hires

1. Apprentices hired directly into the Program, who voluntarily withdraw or are involuntarily removed from the Program during the probationary period, shall be terminated from the employment of the Company.
2. Apprentices hired directly into the Program, who voluntarily withdraw or are involuntarily removed from the Program after the probationary period, shall be permitted to bump the persons with the least Company seniority in the Entry Level of the Manufacturing Seniority Unit, provided the ex-Apprentices have greater Company seniority than the persons to be bumped. They shall be assigned in accordance with Article VI., E., of the Basic Labor Agreement in the event that they do not possess sufficient Company seniority to exercise such bumping rights.

XI. ELECTRICAL MODEL MAKER CUTBACKS

In the event of a cutback in any of the Electrical Model Maker Job Classifications, the Electrical Model Makers and Apprentices so affected shall be cut back in the following manner:

- A. Before any Electrical Model Makers are cut back, all Apprentices who are not in the fourth year of the Program shall be cut back based on Skilled Trades seniority. No graduating Apprentice shall promote into the W-7, Electrical Model Maker and Experimental Mechanic-Electrical AA positions until all cutback former Tool Makers and Model Makers have been offered reinstatement in the Tool Maker/ Experimental Mechanic Job Classification.
- B. Fourth year Apprentices shall not be cut back from the affected job classifications until they complete the Program.
- C. Apprentices cut back in accordance with the foregoing procedure shall be entitled to bump the least senior employee in the job classification to which the cutback Apprentices were assigned immediately prior to entering the Program, provided that the least senior employee in that job classification has less seniority than the cutback Apprentices.

- D. In the event that cutback Apprentices do not have sufficient seniority to bump, or have not previously been assigned to any job classification in any seniority unit, they shall exercise bumping rights as provided in Article VI., E., of the Basic Labor Agreement.
- E. Cutback Apprentices shall have the first preference of future Openings in the Program.
- F. Cutback Apprentices who remain on the payroll shall continue to attend the classroom sessions until the completion of the current school term.

XII. GRADUATE APPRENTICES

A. Certification

Apprentices who have successfully completed the Program shall be so certified by the Company in formal manner.

B. Job Placement

Graduate Apprentices shall be assigned to available W-30, Electrical Model Maker and Experimental Mechanic B Openings, or to available *Openings in the entry level Electrical Model Maker Job Classification*, as appropriate, on the basis of their Company seniority.

C. Unavailability of Openings

If no Openings exist in the aforementioned Electrical Model Maker Job Classifications, graduate Apprentices may be retained in the W-28, *Electrical Model Maker and Experimental Mechanic Apprentice Job Classification*, for a period not to exceed three (3) months from the date of their certification by the Company. They shall thereafter be eligible for maintenance of rate in accordance with the terms of Article V, C, 2 and 3 of the Basic Labor Agreement.

D. Hourly Base Rates

The hourly base rate paid to graduate Apprentices who are assigned to a permanent job classification shall be the rate applicable to the job classification to which they are assigned.

XIII. SIZE AND CONTINUATION OF PROGRAM

The Company shall determine the total number of Apprentices in the Program at any time. The Company shall also decide whether or not to continue the Program.

APPENDIX A

XEROX CORPORATION

ELECTRICAL MODEL MAKER APPRENTICESHIP CONTRACT

This contract is entered into this ____ day of ____, 19__ between ____ born ____, (hereinafter referred to as the Apprentice) and Xerox Corporation (hereinafter referred to as the Company), and covers terms and conditions contained in an agreement entitled, "An Electrical Model Maker Apprenticeship Agreement between Xerox Corporation and the Xerographic Division, Local 14A of the Union of Needletrades, Industrial & Textile Employees, A.F.L.-C.I.O." (hereinafter referred to as the Supplemental Agreement).

The Company agrees to employ the Apprentice for the purpose of training the Apprentice, in conformance with the terms and conditions contained in the Agreement, to become a fully qualified Electrical Model Maker.

The Apprentice agrees to work diligently and faithfully in fulfilling the classroom and skills training requirements contained in the Supplemental Agreement which stipulates no less than 8,000 hours of skills training and no less than 576 hours of classroom training at an institution approved by the Company.

The apprenticeship shall begin on the ____ day of ____, 19__ and shall terminate upon the Apprentice's successful completion of the classroom and skills training requirements set forth in the Agreement. Either the Company or the Apprentice may terminate this contract at any time on conditions outlined and set forth in the Agreement.

Signature of Apprentice Date

Company Representative Date

APPENDIX B
XEROX CORPORATION
ELECTRICAL MODEL MAKER APPRENTICESHIP
EDUCATIONAL PROGRAM

During the four (4) years of apprenticeship, Apprentices shall complete an educational program designed explicitly for them. Classes, conducted either in the vestibule shop, on site classrooms, or at a school of the Company's choosing, shall provide the required educational background Model Maker (Electrical) Apprentices must satisfactorily complete. All necessary textbooks shall be furnished by the Company. Classroom instruction related to Apprentice development shall not be less than four (4) hours per week accomplished on the Apprentices' own time.

1st Year	Engineering Drawing (Electro-Mech) Technical Mathematics - I Introduction to Physics
2nd Year	Technical Mathematics - II Physics Elements of Electricity and Electronics
3rd Year	Elements of Electricity and Electronics <i>Applied Electronics</i>
4th Year	Machine and Power Systems Mechanical Components and Mechanisms

APPENDIX C

ELECTRICAL MODEL MAKER APPRENTICE

SKILLS TRAINING PROGRAM

Job Level*	Type of Operation	Operation Code	Approximate Hours
I	Tool Crib: To include learning the names and types of tools and supplies required in the trade; proper handling, care and storage of precision instruments and gauges and protection of cutting tools; maintenance of inventory records and the issuing and receiving of tools and supplies.	A	100
I	Raw Material Stores & Hardware: To include learning the characteristics of various ferrous and non-ferrous metals, plastics, rubber, wood, glass, etc.; color code of materials; familiarization with Xerox Engineering Data Books and identification of fasteners and electrical components; operation of power cut-off saw, plate saw and power shear; and, the cutting of bar, plate and sheet stock.	B	100
I, II	Contour Sawing: To include saw selection, blade welding, maintenance of welder and saw guides, speeds, feeds, internal and external cutting, safety.	C	100

I,II III,IV	Drill Press (Sensitive and Power): To include drill sharpening, precision drilling, reaming, counterboring, countersinking, tapping, knowledge of coolants, speeds, feeds, and safety.	D	300
I,II III,IV	Milling Machines (Horizontal, Vertical, Universal, Rotary Head): To include methods of holding work, plain or slab milling, end milling, face milling, angle milling, boring, knowledge of coolants, selection of feeds, speeds, and safety.	E	400
I,II III,IV	Lathes (Engine, Tool Makers, Bench): To include methods of holding work and set-up, utilization of chucks, collets, face plates, steady and follower rest, centering, straight and taper turning, facing, drilling, reaming, boring, cutoff, thread cutting, knowledge of coolants, selection of feeds, speeds, gears for metric threading, and safety.	F	400
I,II III,IV	Point to Point Wiring: To include the wiring of all types of electrical chassis, experimental models, and special laboratory equipment by determining proper wire routing, utilizing correct wire color codes and wire gages, marking/labeling wire, understanding and selection of appropriate terminals, understanding and use of hand terminating tools, soldering techniques and cabling by Ty-wrapping or other approved methods.	G	1,000

III.IV	Welding: To include inert arc welding, Oxy-acetylene gas welding, resistance welding, brazing, silver soldering, soft soldering, and sand blasting.	H	200
II.III, IV	Harness Development and Fabrication: To include the complete fabrication of harnesses for Engineering and Prototype Models by developing, laying out, and constructing harness boards; determining proper wire size, insulation and wire lengths; understanding and correct application of wire color codes; understanding and proper selection of terminals and connectors; setting up and operation of wire marking and power terminating equipment; and Cabling by Ty-wrapping or other appropriate methods.	I	800
I.IV	Bench and Layout: To include theory and proper use of all instruments, gages, and hand tools common to the trade; layout and mark-up of electrical chassis, panels, and parts utilizing height gage, dial indicator, and other precision measuring methods; filing, tapping, threading, staking and riveting.	J	300
III.IV	Inspection: To include understanding of quality control standards, methods of holding work, proper measuring and testing sequences, utilization of all precision measuring instruments including electrical meters, bridges, scopes, contour projectors.	K	200

coordinate measuring machines, etc.

II,III, IV	Circuit Board Fabrication: To include the preparation of punched terminal boards and printed circuit boards, development and layout of component locations and circuit paths from schematics, understanding of special handling and mounting procedures for electronic components, assembly of components and final termination by approved soldering or wire wrap techniques.	I.	1,000
II,III, IV	Precision Sheet Metal Parts Fabrication: To include set-up and operation of press brake and utilization of urthane tooling, precision power shear, Strippit Fabricator with Duplicator, Hand Brake, Hand Shear, and Notcher with emphasis on chassis, panel, and bracketry fabrication.	M	400
II,III, IV	Painting & Finishing: To include a full understanding of all finishing operations such as painting, plating, special coating-surface preparation, and actual application of finishes, epoxy, and adhesive bonding, cementing of plastics, application of conductive coatings, decal and LeRoy Lettering.	N	200
II,III, IV	Debug and/or Trouble Shoot Electrical/Electronic Assemblies and Systems: To include utilizing test instruments and equipment unique to the trade in order to verify correctness of circuit design or alter/modify circuitry as required; diagnose electro/mechanical malfunctions and make appropriate corrections or repairs.	O	1,000

II.III. IV	Experimental Model and Instrument Assembly: To include layout and assembly of complete experimental units according to specification by fitting, aligning, adjusting, and calibrating to close and exact tolerances and rigid inspection requirements. Parts to be predominately electrical, but may be mechanical and optical, or a combination of these.	P	1,200
II.III. IV	Miscellaneous Processes: To include introduction to Xerography, theory and actual practice as new "states of the art" are developed, and special assignments as determined by Model Shop Supervision.	Q	300
	Total		8,000

*Skills training will generally begin at the job level indicated, but it will not necessarily be restricted to that particular job level.

APPENDIX D

XEROX CORPORATION

ELECTRICAL MODEL MAKER APPRENTICESHIP PROGRAM

SKILLS TRAINING ASSIGNMENT RECORD

Name

Month 19

Hours Worked on Each Type of Operation

DAY A B C D E F G H I J K L M N O P

Brought Foreman's
Forward Initials

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Evaluation of Performance with brief explanation, especially if problems exist.

Signature of Foreman

APPENDIX E
XEROX CORPORATION
REQUEST FOR TRANSFER TO
ELECTRICAL MODEL MAKER APPRENTICESHIP PROGRAM

Instructions: Complete this form in duplicate. Submit Copy 1 to your Supervisor; submit Copy 2 to your Shop Representative.

NAME: CLASSIFICATION

DEPARTMENT SUPERVISOR

SHOP REPRESENTATIVE

I request consideration for assignment to the Electrical Model Maker Apprenticeship Program. I understand that if I am accepted, my pay rate shall immediately be adjusted to that of the appropriate apprentice job level.

SIGNED DATE

COPY 1

Instructions to Supervisor: Please forward this copy to Manufacturing Division, Industrial Relations.

APPENDIX E (CONTINUED)

XEROX CORPORATION

REQUEST FOR TRANSFER TO THE

ELECTRICAL MODEL MAKER APPRENTICESHIP PROGRAM

Instructions: Complete this form in duplicate. Submit Copy 1 to your Supervisor; submit Copy 2 to your Shop Representative.

NAME CLASSIFICATION

DEPARTMENT SUPERVISOR

SHOP REPRESENTATIVE

I request consideration for assignment to the Electrical Model Maker Apprenticeship Program. I understand that if I am accepted, my pay rate shall immediately be adjusted to that of the appropriate apprentice job level.

SIGNED DATE

COPY 2

SUPPLEMENTAL AGREEMENT J

UNDERSTANDINGS RELATING SPECIFICALLY TO MODEL SHOPS AND TOOL ROOMS

This Supplemental Agreement deals with specific subjects regarding Model Shop and Tool Room operations.

I. Subcontracting

A. Definitions

For the purpose of only this Supplemental Agreement, the following terms shall have the meanings indicated below:

1. *Mandatory Vend* -- that work which is related to the development of product model components or part that cannot be made to the prescribed process within the Model Shops and Tool Room for lack of either special skills or equipment.
2. *Discretionary Vend* -- that work which could be performed in the Model Shops and Tool Room to the prescribed process, but is vended because of limitations of either schedule or capacity.

B. Compliance

For purposes of determining compliance with the provisions of either Article II., B., Subcontracting, of the Basic Labor Agreement, or other *Company-Union understandings and agreements regarding the Model Shops and Tool Room*, Discretionary Vend work shall be regarded as subcontracting work, while Mandatory Vend shall not be so regarded.

C. Information

The manager of Model Shops and / or Tool Room shall meet, on a regular periodic basis, with the appropriate Shop Representative for the purpose of informing the Union about work that is subcontracted. The volume of such work shall be expressed in terms of man-hours.

D. Flexibility

1. If the workload in the Model Shops is equal to or greater than 48 hours and the Tool Room is working less than 48 hours, the Company can move Model Shop work to the Tool Room. The work in this situation will only be performed by the W-50 classification.
2. If the workload in the Tool Room is equal to or greater than 48 hours and the Model Shops are working less than 48 hours, the Company can move Tool Room work to the Model Shops. The work in this situation can only be performed by the W-50 classification.
3. If the workload both in the Model Shops and Tool Room is equal to or greater than 48 hours, Model Shop work can be performed by the W-13 classification only to maintain 40 hours.

If the workload in the Model Shop, and Tool Room is equal to or greater than 48 hours, Model Shop work can be vended to the W13, W7, W50 classification provided there is a discretionary vend situation as determined by the Model Shop/Tool Room Vend Committee. That committee must review such work before work is performed outside the incumbent classification.

If the workload in the Model Shops is 56 hours or greater and the Tool Room is also 56 hours or greater, the Short Run Shop can perform Model Shop work, provided there exists a discretionary vend situation, as determined above.

4. If the Model Shop and the Tool Room workload is at 48 hours and the Company believes that external discretionary vending is necessary due to lack of internal capability, the mutually agreed upon vend process will be followed and any work vended reviewed by the Model Shop/Tool Room Vend Committee and signed off by the Company and Union Representative of that committee, as well as the current Shop Representative.

II. Workload Forecasts

When Annual Operating Plans or Budgets are approved or significantly revised, the Manager of the Model Shops and Tool Room shall meet with the appropriate Shop Representative for purposes of providing to the Union information about workload forecasts that can be derived from such Annual Operating Plans or Budgets.

III. Bargaining Unit Work Jurisdiction

In support of the terms of Article II., of the Basic Labor Agreement, the Company shall:

- A. Require the Manager of the Model Shops and Tool Room to screen all relevant non-Bargaining Unit job posting notices in order to eliminate any statements that would produce confusion concerning appropriate Bargaining Unit work jurisdiction.
- B. Revise such non-Bargaining Unit job posting notices when the Union demonstrates that they do, in fact, create misunderstanding or confusion about Bargaining Unit work jurisdiction.
- C. Provide the Union with copies of relevant non-Bargaining Unit Job Descriptions when essential for purposes of resolving Bargaining Unit work jurisdiction disputes.
- D. Require the Manager of the Model Shops and Tool Room, accompanied by the appropriate Shop Representatives and Industrial Relations, to examine engineering laboratories in order to assure that:
 1. The fabrication equipment within the laboratory is simple, basic, and operable without skilled training or experience.
 2. Any work being performed by non-bargaining unit employees is not within the jurisdiction of the Bargaining Unit.
 3. The examinations should occur at least four (4) times annually. Further, the appropriate Shop Representative may request an examination in the investigation of an alleged violation or complaint or examine the characterization of work being performed. (Note: The following is to serve as a general, descriptive guideline in determining Model Shop and Tool Room jurisdictional work: when the trial-and-error, improvisational, hypothesis-test/preliminary-stage experiment or conceptual-design form created by the engineer/technician crosses over to the next progressive developmental hardware step usually identified as the first actual, working, or functional mock-up, model, or prototype, the building of such mock-up or prototype is Model Shop jurisdictional work.)

IV. Employee Involvement

After the Joint Company-Union Employee Involvement Steering Committee has begun to function, it shall explore opportunities, as early as possible, to encourage the development of employee involvement programs in the Model Shops and Tool Room.

V. Electrical Work

The Company shall explore opportunities for increasing the amount of electrical work for the employees of the W-7 Model Maker and Experimental Mechanic Electrical AA Job Classification.

VI. Assignment to Geographic Locations of the Model Shops and Tool Room

A. The Company shall recognize consolidated Model Shops and Tool Room job classification seniority (length of service in the Model Shops and Tool Room inclusive of several locations), referred to as Skilled Trades seniority, in filling vacancies and/or internal openings by classification among different shop locations.

B. Vacancies In The Model Shops/Tool Room

A vacancy in the Model Shops/Tool Room is defined as an opening created directly as a result of an increase in the overall complement, or, when an incumbent employee must be replaced due to termination, promotion, retirement or other reasons.

C. Internal Openings

An internal opening in the Model Shops/Tool Room is defined as an opening which results directly from the rebalancing of Tool Makers/Experimental Mechanics among shops, (one shop is reducing employees while another shop is increasing employees) with no increase in the total complement. An internal opening will be filled by the most senior Tool Maker/Experimental Mechanic (AA, A, or B from all shops) who bids for the opening from within the overtime group that the rebalancing is occurring.

D. Other Openings

1. When tool Maker/Experimental Mechanic Apprentices graduate, a "B" opening will be created and only "B" Tool Maker/Experimental Mechanics may bid on the opening. Of those bidding, the most senior "B" Tool Maker/Experimental Mechanic will fill the opening.

2. When there is a progression in classification from "B" Tool Maker/Experimental Mechanic to "A" Tool Maker/Experimental Mechanic, all "A" Tool Maker/Experimental Mechanics may bid on the opening created and of those bidding, the most senior "A" Tool Maker/Experimental Mechanic will fill the opening.
3. When an "A" Tool Maker/Experimental Mechanic becomes an "AA", a "AA" opening will be created and only "AA" Tool Maker/Experimental Mechanics may bid for the opening. Of those bidding, the most senior "AA" Tool Maker/Experimental Mechanic bidding will be placed in the opening.
4. All other openings shall be posted without a letter designation.
5. In the case of a specific business need for posting by letter designation, the Shop Representative will be advised prior to the posting. If the Shop Representative disagrees with the Company position, the job will be posted with the letter designation and the Shop Representative will have the right to protest the Company's action to the third step of the grievance procedure.
6. When it becomes necessary to add to the Tool Maker/Experimental Mechanic job classification, the Company shall post the position(s) to the entire bargaining unit for a period of five (5) days. The opening will be filled by the qualified employee with the greatest Company Seniority.

The Company shall be free to fill openings that remain through either graduating apprentices or external hiring.

- E. The Company shall not be obligated to make more than three (3) transfers in the course of filling a vacancy.
- F. The Company shall not be obligated to make more than two (2) transfers in the course of filling an internal opening.
- G. When an excess of employees is declared in a shop and openings in another shop exist, volunteers from the shop in excess shall, by greater Skilled Trades seniority, have the right to fill the openings. If insufficient volunteers exist to relieve the excess, the employee with the least Skilled Trades seniority in the excess shop may claim the openings or retain their shift (if the openings are on a different shift) by displacing the employee with the least Skilled Trades seniority in the classification on their shift.
- H. When an excess of employees is declared in a shop and no openings exist in the classification, the employee with the least Skilled Trades seniority in the shop in excess will have the right to maintain their shift by displacing the

employee with the least Skilled Trades seniority in the classification on their shift. Employees displaced above shall have the right to exercise their greater Skilled Trades seniority to displace the employee with the least Skilled Trades seniority in the classification.

- I. Employees cutback from the Model Shops/Tool Room, who are unable to claim a job in accordance with the foregoing procedures, may exercise those seniority rights set forth in the Manufacturing Seniority Unit Supplemental Agreement A., attached to this Agreement and made a part hereof, or as set forth elsewhere in this Agreement. Such employees shall retain a prior right of recall to the tool Maker/Experimental Mechanic job classification in order of their greater Skilled Trades seniority. Employees who decline such recall at the time it is first offered shall forfeit this prior right.
- J. Former Model Makers and Tool Makers who were cutback from their Skilled Trades job classification(s) prior to June 7, 1994 shall have a one (1) time prior recall right to the new combined Tool Maker/Experimental Mechanic job classification. Employees who decline such recall at the time it is first offered shall forfeit said prior right.
- K. Cutback employees with prior rights, as defined in paragraphs 9 and 10 above, shall be selected on the basis of their Skilled Trades seniority which would include time worked in both the Model Shops and Tool Room.
- L. Temporary transfers may be made for up to eight (8) weeks among shops at different sites (e.g., Webster to Henrietta) and up to eight (8) weeks among shops on the same site (e.g., Webster to Webster). The parties may mutually agree to extend such time limits.
- M. Temporary transfers among shops shall be made on the basis of classification, seniority and availability from among the employees within the shop from which the transfers are made.
- N. Newly hired employees in the Skilled Trades, filling vacancies described above, shall not be entitled to transfer for a period of six (6) months.

VII. Cutback Procedure In The Model Shops/Tool Room

Cutback in the Model Shops/Tool Room shall be determined in the following manner:

- A. Initial cutbacks shall be made on the basis of a combined Skilled Trades seniority roster of all employees in the Tool Maker/Experimental Mechanic AA, A, and B or Electrical Model Maker AA Job Classifications. Employees to be cut back shall be those listed on the combined seniority roster with the least skilled Trades seniority.

- B. When the cumulative number of employees who have been cut back from the tool Maker/Experimental Mechanic AA Job Classification exceeds 10% of the total number of employees who were assigned to that Job Classification on January 1 of the year in which the cutbacks occur, further cutbacks shall be determined on the basis of inverse Skilled Trades seniority within each separate Tool Maker/Experimental Mechanic job classification.
- C. At ratification the W-13 classification will be capped at that current population level and the incumbents documented by name at that time. Future staffing adds to the Tool Room driven by Machinist attrition or Machinist workload increases will be filled by the W-50 classification. Once all incumbents have vacated the classification it will be deleted from the M Unit P&T chart.
- D. Employees that are cutback from the Tool Room/Experimental Mechanic AA, A & B, Electrical Model Maker AA, A & B, Tool Room Machinist (W13), Tool Room Welder (W27), Jig Borer Operator (W5), or Cutter Grinder (W22) classifications shall retain their initial Skilled Trade's seniority date for all future promotion, transfer, cutbacks and downgrades.

VIII. Apprenticeship Programs

- A. The apprenticeship program for Tool Maker/Experimental Mechanics shall be carried out in accordance with the terms of the Tool Maker/Experimental Mechanic Apprenticeship Agreement, which is attached to this Agreement and made a part hereof as Supplemental Agreement H.
- B. The apprenticeship program for Electrical Model Makers shall be carried out in accordance with the terms of the Electrical Model Maker Apprenticeship Agreement, which is attached to this Agreement and made a part hereof as Supplemental Agreement I.
- C. Skilled Trades seniority shall commence on the first day an employee enters the respective apprenticeship program
- D. Employees who have completed a Company-sponsored apprenticeship program, or who were formerly enrolled in such a program without completing it, or who are currently enrolled in such a program, shall not be eligible to enter any other Company-sponsored apprenticeship program. However, employees who have completed a Company-sponsored apprenticeship program, have been assigned to a Skilled Trades job classification, and who subsequently are cut back from that job classification, may apply for enrollment in another Company-sponsored apprenticeship program. Upon entering another program, such employees shall forfeit all seniority rights to return to their former Skilled Trades job classification.

- E. Employees who have successfully passed Company selected apprenticeship test batteries as of 3/20/89, and their test scores can be verified, shall remain eligible for entry into the appropriate apprenticeship program without retesting.
- F. Any employee who has not successfully passed a Company selected apprenticeship test battery as of 3/20/89 will be required to take and pass revised Company selected apprenticeship tests. An employee, who successfully completes the apprenticeship test battery, shall be eligible for entry into the appropriate apprenticeship program for a period of three (3) years without retesting. Employees shall be eligible to renew their testing certification six (6) months prior to expiration of the three- (3) year certification period by passing the appropriate apprenticeship test battery.

IX. Fixed shift schedules

- A. During the term of this Agreement, Skilled Trades employees shall continue the fixed shift schedules presently in existence in the Tool Rooms and Model shops, with the exception of those that may participate in any four by seven altered work schedules in support of: Sheet Metal, Supplies/Toner/AMAT and Distribution.
- B. Of those Tool Maker/Experimental Mechanics who were permanently assigned on the second shift, not more than a total of five (5), at any one time, may be reassigned on a temporary basis to the day shift in order to fill vacancies created because of vacations, illness, leaves of absence, jury duty, or deaths in the immediate family. The Company reserves the right to deny requests for temporary reassignments to the day shift if such reassignments would restrict the operating efficiency of the Tool Rooms/Model Shops.

SUPPLEMENTAL AGREEMENT K
PROMOTIONS, TRANSFERS, AND CUTBACKS
WITHIN THE OFFSET SENIORITY UNIT

The Company and the Union agree that the Offset Seniority Unit Promotion and Transfer Chart, as revised from time to time by agreement of the parties, shall be used as the basis for all promotion, transfers and cutbacks in the Offset Seniority Unit, subject to the following limitations, explanations and variations as described below:

I. FILLING AN OPENING

- A. Openings in the Z-4 job classification shall be communicated to the Union and posted to employees of the Z-2 job classification by the Company for five (5) days. The position(s) will be filled by selecting the senior qualified responder from the H Seniority Unit. Should the position remain unfilled, it will be made available to qualified applicants from any seniority unit, in accordance with Supplemental Agreement F, and will be filled by the senior applicant who will be required to qualify within the first 90 days of assignment.

Should the position(s) remain unfilled, it will be filled by hiring qualified applicants from outside the bargaining unit.

- B. Openings in the Z-2 job classification shall be communicated to the Union and shall be filled by the senior qualifying employee within the bargaining unit, in accordance with Supplemental Agreement F.

II. CUTBACKS

- A. Cutbacks within the Z-4 job classification shall be administered as follows:

1. The Company shall notify the Union of the surplus condition not later than one week prior to movement.
2. The Company shall canvass incumbents of the Z-4 job classification for volunteers. Should the surplus condition remain the least senior Z-4 will be identified for cutback.
3. In the event the cutback employee(s) have sufficient seniority to displace an employee(s) of the Z-2 job classification, he/she will do so.

4. The displaced Z-2 or the cutback employee, if such employee does not have sufficient seniority to displace a Z-2 employee, will fill an entry level opening in any other seniority unit.
- B. Cutbacks within the Z-2 job classification shall be administered as follows:
1. The Company shall notify the Union of the Surplus condition not later than one week prior to movement.
 2. The Company shall canvass incumbents of the Z-2 job classification for volunteers. Should the surplus condition remain, the least senior Z-2 will be identified for cutback.
 3. The displaced Z-2 will fill an entry level opening in any other seniority unit.

III. NEW JOB CLASSIFICATIONS

In the event of the establishment of new job classifications the Company will discuss with the Union their placement on the promotion and transfer chart.

IV. QUALIFIERS

The Company will establish and make available Z-2 and Z-4 basic qualifying courses and tests. All references herein to "qualifying" refer to such courses and test.

V. LAYOFFS

Employees cut back or displaced, who do not have sufficient Company seniority to claim a position in the Offset Seniority Unit, shall be laid off in accordance with Article VI.E. of the basic labor agreement.

OVERTIME EQUALIZATION PROCEDURE MMD

ASSEMBLY, MATERIAL HANDLING, SUB-ASSEMBLY OPERATIONS

EFFECTIVE March 18, 2002

INTENT

Overtime hours must be distributed as equally as possible on a continuing basis among qualified employees in the same classification within the appropriate overtime work group during any year. An appropriate overtime work group is defined as a group of employees in a job classification in an area who are qualified to share available overtime in that group. The Company will discuss (in any attempt to reach an understanding) the determination of appropriate overtime work groups with the Union prior to their establishment. In case the Union disagrees, grievances shall be directed to the third step of the grievance procedure. The establishment or revision of appropriate overtime work groups will be based on substantial operating requirements and will be made effective in accordance therewith.

GENERAL RULES

1. Overtime shall be distributed within the Departments as follows:

(By shift - Monday-Friday or among shifts on weekends.)

- A. Senior qualified employees within an overtime work group with the least amount of charged hours in the necessary classification.
- B. Senior qualified employee with the least amount of charged hours in the same classification in the product line.
- C. Any other station experienced/qualified employee of the appropriate job classification within the production center. After the supervisor has designated the employee, the Union may, before the fact, question the designation and offer an alternate experienced/qualified employee from the production center who has fewer overtime hours worked. If the alternate has, in fact, worked fewer hours, the supervisor shall substitute the alternate to work the overtime. (Short notice cancellation of overtime for purposes of making such substitution shall not subject the Company to any cancellation penalty.) Should the supervisor not agree to the substitution before the fact, the alternate employee shall retain the right to grieve the denial of overtime.

- D. Any other station experienced employee within the work assignment, regardless of job classification.
- 2. Employees selected to work will only be excused for good and sufficient reason such as a medical appointment and will be charged.
- 3. All scheduled overtime hours will be charged, whether worked or not, (or missed while on leave of absence, personal business or for any other reason) and as defined as those:
 - A. Required on Saturday and scheduled by Thursday lunch period or by Friday lunch period in emergency situations.
 - 1. Overtime required on Saturday and scheduled by Thursday lunch period or by Friday lunch period in emergency situations will be scheduled by utilizing qualified employees who are low in overtime hours in the appropriate work group, at the end of the shift last worked (including any overtime at the end of the shift) on Wednesday, or Thursday, for Friday emergency situations.
 - 2. For purposes of Thursday and Friday overtime scheduling, employees scheduled for Saturday overtime as specified in #3-A-1 above, will be considered to be charged for the scheduled Saturday overtime as of Thursday lunch period.
 - 3. Scheduled Saturday overtime which is canceled by the Company will not be charged.
 - 4. Situations involving overtime scheduled for Thursday and/or Friday as well as Saturday will be satisfied by offering and charging the greatest number of overtime hours on Thursday, Friday or Saturday to the employees lowest in overtime as defined in #1 above.
 - B. Required on Sunday or a holiday and scheduled by lunch period of the second working day prior to Sunday or the holiday or by the lunch period of the previous day in emergency situations.
 - C. Required at the end of shift and scheduled by the lunch period of the day preceding the day overtime is required. Between notification and the end of the shift of the day preceding the day of scheduled overtime employees may seek relief from the next day's overtime. Such requests shall be granted for good and sufficient reason such as: medical, legal, or other non-repetitive verifiable circumstances in which no alternative arrangements can be made.

After the end of the shift of the day preceding the day of the scheduled overtime, employees who have not sought relief are "scheduled", and are expected to work.

Employees canvassed after lunch on the day preceding the overtime but before lunch on the day the overtime is required can refuse, but will be charged. If they accept, they are "scheduled" and charged.

- D. In cases of emergency, the Company shall notify the appropriate Shop Representative as soon as emergency overtime situations occur. The Shop Representative shall be informed of the nature of the emergency.

- 4. All non-scheduled overtime hours, excluding emergency situations defined in #3 above will be charged only when worked and are defined as those:
 - A. Required on Saturday and not scheduled by Thursday lunch period.
 - B. Required on Sunday or a holiday and not scheduled by the lunch period the second working day prior to Sunday or the holiday.
 - C. Required at the end of the shift and not scheduled by the lunch period of the day overtime is required.
- 5. Employees will not share in the overtime work of the work group to which they are promoting or transferring until they become fully qualified to perform productive work in their new assignment. After the employees become fully qualified, they will be credited with the average overtime of such work group.

The Company will be obligated to qualify (within the standard training period) and/or cross-train employees to the extent required to maintain overtime balance within appropriate overtime work groups.
- 6. Overtime records will be maintained by the area General Supervisor and will be posted and made available to employees and/or Shop Representatives upon request.
- 7. Employees scheduled for additional overtime during overtime periods will be permitted to decline such overtime and will not be charged for such additional overtime not worked.
- 8. When hours are equal, the senior (Company seniority) qualified employee in the job classification of the appropriate overtime work group will be offered overtime.

9. Overtime scheduled while an employee is on vacation will not be charged. Employees on vacation may not work and will not be scheduled for overtime except in emergency situations.
10. Overtime scheduled while an employee is on vacation during the calendar year, shall be tracked separately, and can be added to an employee's total charged overtime hours (i.e., year-end or staffing move) to offset any imbalances.
11. In addition to normal overtime balance records, the Company will maintain a record of overtime offered but refused by employees and note the reason for the overtime need.
12. When employees are requested but decline to work a third or more double shifts within the same calendar week, they shall not be charged for those hours which could have been worked.
13. When employees are absent from work due to illness, their overtime records shall not be charged for more than two "doubles" on one calendar week.
14. Employees who are offered overtime outside of their normal overtime work group but within the required time frame as stated in General Rule #3 above, shall be charged for those overtime hours refused. This rule only applies to those employees within the Production Center where the overtime is being offered.
15. Employees who prefer not to participate in Voluntary Opportunity can submit such a request in writing and will not be kept on the charge hours listing. If such employees later decide to review their eligibility, they will be added to the charge hours listing at the highest level recorded within the Overtime Work Group.
16. When, under conditions of extreme emergency, such as "Acts of God", it becomes impossible for the Company to schedule overtime consistent with the provisions of this Agreement, the Company shall not be constrained in the assignment of overtime.
17. The following rules will apply to resolve overtime imbalances resulting from permanent movement of employees within a Work Assignment:
 - A. An overtime imbalance exists when an employee is permanently transferred within a Work Assignment from one overtime work group to another overtime work group and such employee is either:
 1. The employee with the highest chargeable hours in the overtime work group and the employee's chargeable hours are more than twelve (12) hours above another employee in the group; or;

2. The employee's chargeable hours are more than twelve (12) hours below the chargeable hours of the highest employee in the overtime work group.
- B. In the calculation of chargeable hours for an overtime imbalance, overtime scheduled during the employee's vacation that the employee could have worked shall be included.
- C. In the event of an overtime imbalance, employee(s) shall be compensated at the rate of time and one-half as follows:
1. If the transferred employee has the highest chargeable hours in the overtime work group, then the difference of chargeable hours between such employee and the lowest employee in the overtime work group shall be equally divided, paid and charged to the remaining employees in such group.

Example:

$$\frac{100-50}{5} = 10$$

High Emp. Hrs. minus Low Emp. Hrs. = Hours Paid
No. Employees remaining per employee

2. If the difference of the transferred employee's chargeable hours is more than twelve (12) hours below the chargeable hours of the highest employee in the overtime work group, then the transferred employee shall be paid this difference minus twelve (12):

(High Employee Hours minus Transferred Employee Hours) minus 12 = Paid Hours to the Transferred Employee.

Example: $(100-80) - 12 = 8$

D. The overtime payment shall not be extended to any other situation in the "M" Seniority Unit.

18. The following rule will apply to resolve overtime imbalances resulting from either a year-end or a permanent move during the year other than an imbalance under Rule 17. The final adjusted imbalance can not exceed 16 overtime hours. The appropriate remedy for such an imbalance exceeding the 16 hour limit is payment.

OVERTIME EQUALIZATION PROCEDURE

FABRICATION

QUALITY CONTROL, PRODUCTION OPERATIONS

EFFECTIVE March 18, 2002

INTENT

It is the intent of the Company to distribute overtime as equally as is practicable among employees of the same job classification within the appropriate overtime work group. The year-end imbalance can be no greater than 24 paid hours.

GENERAL RULES

1. Prior to establishing new or changing existing overtime work groups, the Company will discuss the make up of the overtime work groups with the appropriate Shop Representative (in an attempt to reach understanding). The newly agreed upon established or altered overtime work groups will automatically be instituted. In the event concurrence is not achieved a grievance shall be directed to Step III of the grievance procedure. Agreed upon changes and/or additions become effective at the beginning of the next calendar year.
2. Overtime charges will be based on paid hours worked or scheduled.
3. Overtime records will be maintained by the Business Center Manager of the work groups and made available to employees and/or the Shop Representative upon request.
4. Records will be maintained on all overtime refused but not legally chargeable. This is necessary to explain a possible imbalance of overtime at year's end.
5. The most recent updated and available overtime records will be used for scheduling overtime. Overtime records will be maintained on a weekly basis and available by Tuesday of the following week.
6. Employees within the appropriate overtime work group will normally be selected for overtime on the basis of least credited hours and their individual job classification. When overtime hours are equal, the senior qualified employee will be scheduled. Discussion will be held with the Union when, based on employee's capability or other operational constraints, it is necessary to schedule employees who do not have the "least credited hours."

7. All scheduled overtime hours will be charged whether worked or not (i.e., leave of absence, personal business, or for other reasons) and are defined as those:

A. Required on Saturday and scheduled by Thursday lunch period (posted on Wednesday when possible), or by Friday lunch period in emergency situations. Provided, however, that when less than the entire work group is scheduled for a Saturday, and an employee so scheduled notifies the Company that they will not be available for Saturday overtime, then:

1. The Company will canvass employees (seek volunteers) in the work group who are not scheduled, for a replacement. Employees so canvassed will not be charged unless they accept the overtime or the canvass is prior to the Thursday lunch period, in which case all employees canvassed will be charged.
2. If no replacement is obtained through voluntary canvassing, (#7.A.1.) then the Company will schedule the appropriate employee(s), at which time they will be charged in accordance with the provisions of this procedure.

B. Required on Sunday or a holiday and scheduled by lunch period of the second working day, prior to Sunday or the holiday or by the lunch period of the previous day in emergency situations.

C. Required at the end of shift and scheduled by the lunch period of the day preceding the day on which overtime is required.

D. Required at the end of shift and offered by lunch period of the same day. Such overtime will be offered on a voluntary basis.

E. Required at the end of shift and scheduled by the lunch period of the day preceding the day overtime is required. Between notification and the end of the shift of the day preceding the day of scheduled overtime, employees may seek relief from the next day's overtime. Such requests shall be granted for good and sufficient reason such as: medical, legal, or other non-repetitive verifiable circumstances in which no alternative arrangements can be made.

After the end of the shift of the day preceding the day of the scheduled overtime, employees who have not sought relief are "scheduled", and are expected to work.

Employees canvassed after lunch on the day preceding the overtime but before lunch on the following day can refuse, but will be charged. If they accept, they are "scheduled" and charged.

- F. Metrology: Required in conjunction with a scheduled shift for the following week will be scheduled by Thursday lunch of the preceding week. Such overtime will be recorded or charged the week the overtime is required.
8. All non-scheduled overtime hours, excluding emergency situations (as defined in #7 above), will be charged only when worked and are defined as those:
- A. Required on Saturday and not scheduled by Thursday lunch period.
 - B. Required on Sunday or a holiday and not scheduled by the lunch period of the second working day prior to Sunday or holiday.
 - C. Required at the end of the shift and not scheduled by the lunch period of the day overtime is required.
 - D. Required at the start of a shift and not scheduled by the end of the previous shift.
9. Week-end overtime shall first be offered to the senior employee with the least credited hours on any shift.
10. Overtime scheduled during an employee's vacation period will not be charged. However, overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (i.e., year end or staffing move) to offset an imbalance.
11. Employees scheduled for additional overtime periods will not be forced to work additional overtime not worked.
12. Employees will not be requested nor charged for double shifts for the purpose of overtime balancing.
13. When an employee transfers and/or promotes to a new work group, they will be credited with the average overtime of the employees in the new work group.
14. Provisions for cancellation of scheduled overtime will be followed as outlined in the Basic Labor Agreement, Article IV.E.
15. Where mutually agreeable by both management and the Union, Group Leaders are encouraged to schedule and balance overtime in their work group. The Company remains obligated to the provisions of this Overtime Agreement.

OVERTIME EQUALIZATION PROCEDURE

ALC/EPDC (DISTRIBUTION)

EFFECTIVE March 18, 2002

1. Overtime hours must be distributed as equally as possible on a continuing basis among qualified operators in the same classification within the appropriate overtime work groups during any year. The year-end imbalance can be no greater than 16 hours. This 16 hour spread is from top to bottom and includes those employees involuntarily forced from any classification.
2. An appropriate overtime work group is defined as a group of employees in a job classification in an area who are qualified to share available overtime in that group. The Company will discuss the determination of appropriate overtime work groups with the Union prior to their establishment. In the event concurrence is not achieved a grievance shall be directed to Step III of the grievance procedure.
3. Presently Building 214 (ALC), Building 200 (ALC), Building 210/215 (EPDC) and Building 210 (S) (VALO) are separate work groups for each classification overtime balancing.
4. Operators will be selected to work overtime on the basis of least credited hours and their individual job classification, capability and training to perform the work required.
5. Operators selected to work will only be excused for good and sufficient reasons, such as a medical appointment, and will be charged.
6. All scheduled overtime hours will be charged whether worked or not (or missed while on leave of absence, personal business, or for any other reason) and are defined as those:
 - A. Required on Saturday and scheduled before lunch Thursday.
 - B. Required on Sunday or holiday and scheduled before lunch of the second working day prior to Sunday or the holiday or by the end of shift of the previous day in emergency situations.
 - C. Required at the end of shift and scheduled before lunch of the day the overtime is required.

7. All non-scheduled overtime hours, excluding emergency situations defined in #3 above will be charged only when worked and are defined as those:
 - A. Required on Saturday and not scheduled before Lunch Thursday.
 - B. Required on Sunday or a holiday and not scheduled before lunch the second working day prior to Sunday or the holiday.
 - C. Required at the end of the shift and not scheduled before lunch of the day overtime is required.
8. Employees will not share in the overtime of the work assignment to which they are promoting or transferring until they become fully qualified to perform productive work in their new assignment. After the employees become fully qualified, they will be credited with the average overtime of the work assignment. The Company will be obligated to qualify (within the standard training period) and/or cross-train employees to the extent required to maintain overtime balance within the appropriate overtime group.
9. Overtime records will be:
 - A. Maintained by the Management of each overtime work group.
 - B. Posted daily.
10. An Industrial workforce auditor will be provided for the various work locations. The work process and selection for these individuals will be in accordance with the internal memo from Kathleen Agostinelli: subject IWF Overtime Clerk, dated January 9, 2002.

The initial number of auditors will be five (5) (one (1) for VALO, one (1) for EPDC, and three (3) for the ALC). Each auditor will be paid based upon the total number of employees audited. For 50 or less, payment to be one hour at time and one-half per month and for more than 50 employees, payment to be two hours at time and one-half per month.
11. Employees scheduled for additional overtime during overtime periods will be permitted to decline such overtime and will not be charged for such additional overtime not worked.
12. When hours are equal, the senior qualified employee in the job classification of the appropriate overtime work group will be offered scheduled overtime.

13. When schedules are made up for Saturday, the hours at the end of the shift last worked including any overtime at the end of the shift) on Wednesday will be used.
14. Overtime scheduled while an employee is on vacation will not be charged. However, overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total. (i.e. year end or staffing move) to offset an imbalance. Employees on vacation may not work and will not be scheduled for overtime except in emergency situations. The Saturday prior to vacation, the employee will be charged for overtime refused
15. Saturday overtime asked on Friday, will be selected to work overtime on the basis of least credited hours. (Use Friday's list). Employee's refusing to work can not be charged.
16. All overtime hours charged or scheduled for a Thursday, Friday, or Saturday will be included in the overtime balancing records to determine the canvassing order for a Monday Holiday.
17. Employees who prefer not to participate in Voluntary Overtime Opportunity can submit such a request in writing and will not be kept on the charge hours listing. If such employees later decide to renew their eligibility, they must do so in writing and will be added to the charge hours listing at the highest level recorded within the Overtime Work Assignment.
18. For charging purposes all double time hours worked or refused will be converted to paid hours based on the following formula:

$$\text{Hourly Wage Rate} \times 1\text{-}1/2 \times \text{hours worked} = X$$

$$\text{Hourly Wage Rate} \times 2 \times \text{hours worked} = Y$$

$$Y - X = A$$

A= chargeable hours.
 $(1\text{-}1/2 \times \text{hr. wage rate})$

All time and one-half hours worked or refused will be charged only for the time actually worked.

OVERTIME EQUALIZATION PROCEDURE

CORPORATE RIGGING

EFFECTIVE MARCH 18, 2002

1. Overtime hours must be distributed as equally as practicable on a continuing basis among qualified K-5's. The year-end imbalance can be no greater than 20 hours. This 20 hour spread is from top to bottom and includes those employees involuntarily forced from the K-5 classification.
2. One person from Corporate Rigging will keep track of the overtime hours. There will be only one Overtime book and this book must be made available at all times for every K-5.
3. Employees will always be charged for overtime asked or worked according to the following:
 - A. Employees will be canvassed from lowest overtime charged hours to highest.
 - B. Daily overtime (Monday-Friday) must be asked prior to 11:00 a.m. (day shift) and 7:00 p.m. (second shift).
 - C. Saturday overtime must be asked prior to 11:00 a.m. on Thursday (day shift) and prior to 7:00 p.m. (second shift).
 1. When scheduling Saturday overtime, management will utilize the overtime records updated to include all charged hours through the close of day Wednesday.
 - D. Sunday /Holiday overtime must be asked prior to 11:00 a.m. (day shift) and prior to 7:00 p.m. (second shift) on the second working day before the Sunday/Holiday. For this purpose "working day" would include Saturday, if Saturday were scheduled. (End of shift the previous workday in emergencies).
 1. When Scheduling Sunday/Holiday overtime, management will utilize the overtime records updated to include all known charged hours prior to the Sunday/Holiday.
 - E. Overtime canvasses in conjunction with the above time limits will result in charging even if the employee declines (except for vacation as per 7. below.)

- E. In any circumstance where Thursday, Friday, and/or Saturday overtime can be anticipated, overtime will be scheduled offering the greatest single opportunity to the lowest charged employee first. Such charges will be credited in assigning the next opportunity.
4. All hours will be maintained at time and one-half.
 5. New K-5's will be given the average group overtime from their first day. The Company will then keep track of all overtime hours until the day the employee receives his or her CDL B license. At this point, the employee will be assigned the higher of the employee's present overtime hours or the new average for the overtime group. This number will be entered in the Overtime book.
 6. Every Monday morning, the Company will send a copy of the updated overtime list, including week-end hours, to the Shop Representative's office.
 7. Overtime will not be charged while on vacation. However, overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (i.e. year end or staffing move) to offset an imbalance.
 8. Overtime will not be charged for any upgrade unless worked. Any and all overtime worked will be entered on the Overtime books.
 9. When, under conditions of extreme emergency, such as "Acts of God", it becomes impossible for the Company to schedule overtime consistent with the provisions of this Agreement, the Company shall not be constrained in the assignment of overtime.

OVERTIME EQUALIZATION PROCEDURE

CORPORATE TRUCKING

EFFECTIVE MARCH 18, 2002

1. Overtime hours must be distributed as equally as practicable on a continuing basis among qualified M-4's. Employees will be canvassed from lowest overtime charged hours to highest overtime charged hours. The year-end imbalance can be no greater than 40 hours. This 40 hour spread is from top to bottom and includes those employees involuntarily forced from the M-4 classification.
2. Only two people from Corporate Trucking are to keep track of the overtime hours. There will be only one Overtime book and this book must be made available at all times for every M-4 to see.
3. Employees will always be charged for overtime asked or worked according to the following:
 - A. Employees will be canvassed from lowest overtime charged hours to highest.
 - B. Daily overtime (Monday-Friday) must be asked prior to 11:00 a.m. (day shift) and 7:00 p.m. (second shift).
 - C. Saturday overtime must be asked prior to 11:00 a.m. on Thursday (day shift) and prior to 7:00 p.m. (second shift).
 1. When scheduling Saturday overtime, management will utilize the overtime records updated to include all charged hours through the close of day Wednesday.
 - D. Sunday /Holiday overtime must be asked prior to 11:00 a.m. (day shift) and prior to 7:00 p.m. (second shift) on the second working day before the Sunday/holiday. For this purpose "working day" would include Saturday, if Saturday were scheduled. (End of shift the previous workday in emergencies).
 1. When Scheduling Sunday/Holiday overtime, management will utilize the overtime records updated to include all known charged hours prior to the Sunday/Holiday.
 - E. Overtime canvasses in conjunction with the above time limits will result in charging even if the employee declines (except for vacation as per 7. below.)

- F. In any circumstance where Thursday, Friday, and/or Saturday overtime can be anticipated, overtime will be scheduled offering the greatest single opportunity to the lowest charged employee first. Such charges will be credited in assigning the next opportunity.
4. All hours will be maintained at time and one-half. Any double time hours will be converted back to time and one-half hours, to the nearest half hour. To convert double time hours to time and one-half, the double time hours should be doubled, and that number divided by 1.5; the result will be the number of hours entered in the Overtime book.

For example: An employee works six hours at double time on a Sunday.

The calculation would be as follows:
(6 hours) x 2 divided by 1.5 = 8 hours

Eight hours would therefore be entered in the Overtime book for this employee.

5. New M-4's will be given the average group overtime from their first day. The Company will then keep track of all overtime hours until the day the employee receives his/her CDL A license. At this point, the employee will be assigned the higher of the employee's present overtime hours or the new average for the overtime group. This number will be entered in the Overtime book.
6. Every Monday morning, the Company will send a copy of the updated overtime list, including week-end hours, to the Shop Representative's office.
7. Overtime will not be charged while on vacation. However, overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total. (i.e. year end or staffing move) to offset an imbalance.
8. Overtime will not be charged for any upgrade unless worked. Any and all overtime worked will be entered on the Overtime books.
9. When, under conditions of extreme emergency, such as "Acts of God", it becomes impossible for the Company to schedule overtime consistent with the provisions of this Agreement, the Company shall not be constrained in the assignment of overtime.

OVERTIME ALLOCATION AGREEMENT

SUPPLIES DELIVERY UNIT WEBSTER

EFFECTIVE March 18, 2002

INTENT

It is the intent of the Company to offer Overtime opportunities as equally as practicable among employees of the same job classification within the appropriate Overtime Work Group.

PROCEDURE

1. All Overtime hours worked and/or scheduled shall be charged.
2. Overtime hours worked each week shall be totaled at the end of the Sunday B shift in order to determine any scheduled overtime or emergency overtime for the following week. Said overtime shall be offered to those employees who are available, qualified and lowest in overtime on a day to day basis.
3. Employees shall not be scheduled or charged overtime while on vacation. Furthermore, employees shall not be charged for pre-scheduled vacation days, however, employees shall be charged overtime for call-in vacation days. Overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (i.e., year-end or staffing move) to offset an imbalance.
4. SCHEDULED OVERTIME
 - A. WEEKDAY - Employees shall be offered overtime (on their regularly scheduled shift) the day prior to the overtime opportunity (24 hours).
 - B. WEEKEND - Saturday and/or Sunday - Employees shall be offered overtime no later than one (1) hour prior to the end of the "A" shift on the Wednesday preceding the overtime opportunity.
 - C. Employees scheduled or offered a weekday overtime opportunity must notify supervision of their refusal to work overtime no later than one (1) hour before the end of his/her regularly scheduled shift on which the overtime is scheduled or offered.

- D. Employees scheduled or offered weekend overtime must notify supervision of their refusal to work overtime no later than 0300 hours on "C" shift, 1100 hours on "A" shift, and 1900 hours on "B" shift on the Thursday prior to the weekend the overtime is scheduled or offered.
- E. If an employee scheduled for overtime refuses to work overtime after the deadlines defined in 4. C and D above, the Emergency Overtime Allocation Guidelines in paragraph 8 below shall be followed.

5. SCHEDULED OVERTIME ALLOCATION GUIDELINES

To be eligible for an overtime opportunity, the employee must be qualified to perform the required work. Scheduled overtime shall be offered in the following sequence:

- A. *Employees with the lowest overtime hours in the designated overtime work group by classification requiring the overtime shall be scheduled to work in accordance with paragraph 2 above.*
- B. Employees with the lowest overtime hours, outside the overtime work group, but within the overtime work area by classification will be canvassed to work in accordance with paragraph 2 above.
- C. The Senior available, qualified employee outside of the building, when possible.
- D. *If sufficient manpower is not obtained by following the sequence described in 5. A. through 5. C. above, supervision will force the required number of qualified employees within the overtime work group to work overtime starting with the employee having the lowest amount of charged overtime hours.*

6. EMERGENCY OVERTIME

Emergency Overtime is all overtime not scheduled or offered in accordance with 5. A. through 5. C. above.

7. EMERGENCY OVERTIME ALLOCATION GUIDELINES

A. WEEKDAY

1. Employees with the lowest overtime hours within the classification, in the overtime work group, on the shift preceding the shift requiring the overtime, if qualified.
2. Employees with the lowest overtime hours within the classification, in the overtime work areas, in the building, on the shift preceding the shift requiring the overtime, if qualified.
3. Employees with the lowest overtime hours in the defined Upgrade and Backfill Procedure on the shift preceding the shift requiring the overtime, if qualified.
4. If sufficient manpower is not obtained by following the sequence described in 6.A. through 6.C., supervision will force the required number of qualified employees within the Overtime work group on the previous shift requiring the overtime starting with the employee with the lowest amount of charged overtime hours.

B. WEEKEND - Weekend Overtime shift opportunity shall be defined in order of: 1) "C shift" 2) "A Shift" 3) "B Shift", unless all employees are scheduled, then they remain on same shift as during work week.

1. Employees with the lowest overtime hours within the classification, in the overtime work group requiring the overtime, if qualified.
2. Employees with the lowest overtime hours within the classification and in the building requiring the overtime, if qualified.
3. Employees with the lowest overtime hours in the defined Upgrade and Backfill Procedure in the building requiring the overtime, if qualified.
4. Where possible, the senior available qualified employee outside the building.

5. If sufficient manpower is not obtained by following the sequence of: 6. A. through 6.C., and 6. B. 1-4, the employee with the lowest amount of charged overtime hours in the overtime work group will be forced to work starting with the employee with the lowest amount of charged overtime hours, if qualified.
6. No employee shall be forced to work or be charged more than 16 hours in one day.
7. No employee shall be required to work or be charged for more than two double shifts per week, unless the employee volunteers.
8. Employees entering a new overtime work group will be charged overtime hours equal to the average of incumbents of the overtime work group.
9.
 - A. Employees who are absent from work for less than thirty (30) days shall be charged for all overtime they would have been scheduled for during such absence.
 - B. Employees absent from work in excess of 30 days who are able to return to the same overtime work group without restriction shall be charged overtime equal to the average charged overtime hours of the overtime hours of the overtime work group incumbents, not including the RTW employee in the average calculation.
 - C. Employees returning to work from an absence in excess of 30 days who are placed on a medical restriction will be charged overtime hours equal to the highest incumbent in the overtime work group when such employee becomes released from the restriction by the Xerox Medical Department and fully able to return to the same overtime work group.
 - D. Employees who are medically restricted from their regularly assigned job and overtime work group shall be charged overtime hours in their

permanently assigned classification and overtime work group.

- E. Employees on medical restriction working in a job where there is more than one (1) work assignment may be able to work overtime in that work assignment as long as they are working within their restriction and are able to perform the work assigned on overtime.
10. At the start of each new year, overtime hours used for Scheduled Overtime allocation for each employee will be reduced to "0".
 12. In the event of a "Gentlemen's Agreement" relative to shift switches (temporary or permanent), employees shall assume their own overtime identity for purposes of overtime allocation and charging. There shall be no ghost switching with an employee on long-term illness or an employee on vacation for duration of a week or more.
 13. Employees will be able to switch overtime assignments, as long as it's for the same day and same amount of hours.
 14. Employees working in defined Upgrade and Backfill assignments will be charged in their permanently assigned classification and overtime work group.
 15. In the event that a tie exists (equally low overtime hours) and an overtime opportunity becomes available. Company seniority will be the tie breaker.
 16. Overtime work assignments will be determined by area supervision.
 17. Voluntary administration of overtime by the Work Group.

Where mutually agreeable by both management and Industrial Staff employees, employees in the overtime work group are encouraged to schedule and balance overtime in their work group.

OVERTIME BALANCING AGREEMENT
CRAFT AND NON-CRAFT CLASSIFICATIONS IN THE
SERVICE AND MAINTENANCE SENIORITY UNIT

EFFECTIVE March 18, 2002

It is the intent of the Company that every reasonable attempt will be made to distribute overtime as equally as is practicable among employees of the same job classification within each area as long as job knowledge and/or job continuity are not involved. Job continuity will only be considered when a job can not be turned over to another employee easily.

Define job continuity to mean 30% or minimum of 2 low overtime employees in a classification of work group associated with work order at the time the overtime is posted, i.e.

Required For Overtime	Job Continuity
1	1
2	2
3	2
4	2
5	2
6	2
7	2
8	2
9	2
10	3
11	3
12	4

The areas of work for overtime balancing purposes are:

Division 1	Area 1 X2, 801
Division 1	Area 2 102, 103, 105, 110, 114, 128, 129, 139, 140, 147, 148, 149, 205, 335, 843, 845
Division 2	Area 3 [Manufacturing North] 199, 200, 210, 214, 215, 334

Division 2	Area 4 {Manufacturing South} 207, 208, 209, 111, 336
Division 3	Area 5 {Supplies East} 223, 223A, 224, 225, 225A
Division 3	Area 6 {Supplies West} 201, 206, 212, 213, 218: Pilot Plants 118, 119, 120, 121, 130, 141, 143
Division 4	Area 7 {Central Site} 300, 304, 315, 317, 337, 338, 343, 345. All Electrical Substation Buildings
Division 5	Area 8 {MOD II Office and Lab – Monroe County }
Division 5	Area 9 {MOD III Manufacturing Group – Monroe County }
Division 5	Area 10 {MOD IV Supplies Group – Monroe County }
Division 6	Area 11 {Maintenance Crib Services} 110, 225
Division 6	Area 12 {Maintenance Crib Services} X2, City Center, Gateway
Division 6	Area 13 {Maintenance Crib Services} 300
Division 6	Area 14 {Maintenance Crib Services} 205, 304
Division 6	Area 15 {Maintenance Crib Services} 868
Division 6	Area 16 {Maintenance Crib Services} 839
Division 6	Area 17 {Maintenance Crib Services} 826
Non-Division Areas	
	Area 18 Messenger Service
	Area 19 Print Services – Bldg. 868

The following conditions will be applied to effect overtime balancing within the Divisions and Areas:

- **SCHEDULED OVERTIME** - Scheduled overtime will be offered to employees *within an area on the basis of their overtime standing. If it is necessary to schedule additional employees after offering overtime to all employees in the affected area, such overtime will be offered to the low overtime employee in the division first, then offered to the low overtime employee in the appropriate classification who is not otherwise scheduled to work overtime.*
- **LATE REFUSAL** - If an employee in any classification refuses to work after the weekend schedule is posted (Thursday 12:00 p.m.) the Company will go to the available crafts person in the area, then division of need. If the void is not filled the Company will make every reasonable attempt to offer the low overtime employee in *all other divisions the overtime.*
- **NEW EMPLOYEES** - During the first 60 days of employment for a Skilled Trades employee and 30 days of employment for a semi-skilled employee, an employee will not be scheduled to work overtime unless all others within his/her job classification *are working overtime. After 60/30 days, new employees will be charged overtime equal to the highest employee in the classification plus one hour within their area as of that date.*
- **PROMOTIONS/TRANSFERS/DOWNGRADES** - An employee moving to a new area or classification will be credited, *as of the date assigned to the new job, with the average overtime in the new classification and/or new area. Such employees shall be eligible for overtime in the new classification and/or areas once they are qualified to perform the required work.*
- **WEEK-END AND HOLIDAY OFF-SHIFT** - *If either a second or third shift schedule is established on a week-end or holiday, the employees who work the second or third shift assignment during the week will be scheduled to work the same shift worked during the week regardless of the overtime standing in the area where the week-end and/or holiday work is scheduled.*
- **WEEK-END AND HOLIDAY OVERTIME** - If day shift work is scheduled on a particular week-end or holiday, the low overtime employee in that area will be scheduled for the week-end or holiday work.

- **WEEK-DAY OVERTIME** - The low overtime employee on coverage or project working the assignment on the particular shift in the area will be scheduled.
- **EQUAL OVERTIME HOURS** - When overtime hours are equal, the senior employee in the job classification within each area will be offered the scheduled overtime.
- **APPRENTICES** - Apprentices will not be offered scheduled overtime until all crafts people within a classification have been offered overtime with the exception of special training assignments. When the job to which a crafts person is assigned works end of shift non-scheduled overtime, the apprentice assigned to the crafts person shall also be eligible to work overtime.
- **HELPERS** - Helpers will not be offered scheduled overtime until all crafts people and apprentices within a classification have been offered overtime. When the job to which a crafts person is assigned works end of shift non-scheduled overtime the helper assigned to the crafts person shall also be eligible to work overtime.

The Company shall determine the need for the apprentice or helper to work overtime.

Apprentices or helpers will not be scheduled to work overtime in a classification from which crafts people are cutback.

- **FOUR SHIFT ROTATORS** - Regularly scheduled work hours paid at a premium rate of pay for employees assigned to 4-shift rotation will not be included in the overtime computation for purposes of overtime distribution.
- **FIRE MARSHAL / INSTRUCTOR-TRAINER OVERTIME** - Employees working in these job assignments or other non-union work assignments will not be charged overtime hours worked in these assignments. Overtime hours refused in their normal job classification to work in the aforementioned job positions will be charged.
- **ACCUMULATED OVERTIME HOURS** - Effective January 1 of each calendar year, all accumulated overtime hours will be adjusted to zero.

EMPLOYEES WILL BE CHARGED FOR OVERTIME IF:

- **SHORT TERM ABSENCE** - If an employee is absent for one week or less, he/she will be charged for overtime for which he/she would have been eligible.
- **REFUSAL OF OVERTIME** - Anyone refusing overtime will be charged for the actual hours worked on the assignment for which the employee refused. If all employees in the overtime work group refuse they will all be charged for the hours refused. However, an employee who is requested to work scheduled overtime after noon on Friday or Saturday or Sunday will not be charged if they refuse.
- **CALL-IN-OVERTIME** - Anyone refusing overtime will be charged for the amount of paid hours which they personally refused.
- **EXTENDED ABSENCE** - If an employee is absent for more than one week, upon their return they will be placed on the overtime list in a position that places them the same number of hours behind the high employee on overtime, or if high employee, the same number of hours ahead of the second employee when absence began and be placed high person on overtime list.

EMPLOYEES WILL NOT BE CHARGED FOR OVERTIME IF:

- **VACATION** - An employee absent for vacation will not be charged for overtime for which they would have been scheduled during vacation, including Friday vacation days scheduled far enough in advance to be on the weekly schedule.
- **VACATION TRACKING**

Overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (i.e., year end or staffing move) to offset an imbalance.
- **COMPANY BUSINESS** - An employee absent for Company Business will not be charged for overtime for which they would have been scheduled during that absence for Company business.
- Refusal of scheduled overtime after noon on Friday for Saturday or Sunday.
- Refusal of any overtime assignments in violation of New York State/or Federal Labor Laws.
- **OPEN-END OVERTIME REFUSAL** - Employees refusing an open-ended overtime opportunity will be charged for the actual hours worked on the offered opportunity.

- **WEEK-END NOTIFICATION** - Overtime schedules for Saturday and Sunday will be posted prior to the end of the shift on the Thursday preceding the week-end.
- **TEMPORARY UPGRADES** - Employees temporarily upgraded will be eligible for overtime in the upgraded classification only after it has been offered to the permanent employees of the classification in the appropriate overtime work group. Employees temporarily upgraded will be charged for all hours worked/offered in the upgraded classification, and those hours will be charged to their original overtime group.

Employees temporarily upgraded will be eligible for overtime in their permanent classification, unless working overtime in the upgraded classification.

OVERTIME BALANCING
BUILDING CUSTODIAL SERVICES UNIT
EFFECTIVE MARCH 18, 2002

It is the intent of the Company that every reasonable attempt must be made to distribute overtime as equally as is practicable among employees of the same job classification within each area. An appropriate overtime work group is defined as a group of employees in a job classification in an area who are qualified to share available overtime in that group.

THE AREAS

L-11 Classification Only

- | | |
|------------|---|
| Division 1 | Area 1A [Site & Facilities Services]
X2 |
| Division 1 | Area 1B [Site & Facilities Services]
801 |
| Division 1 | Area 2A [Site & Facilities Services – East & West Complex]
102, 103, 105, 114, 128, 129, 139, 140, 147
148, 149, 205, 300, 304, 317, 335, 337 |
| Division 1 | Area 2B-1 [Site & Facilities Services – North Complex]
110, 199, 200, 210, 214, 215, 334 |
| Division 1 | Area 2B-2 [Site & Facilities Services – Supplies]
201, 206, 212, 218, 223, 223A, 224, 225, 843, 845
Pilot Plants: 118, 119, 120, 121, 130, 141, 143 |
| Division 1 | Area 2C [Site & Facilities Services – South Complex]
111, 207, 208, 209, 336 |
| Division 2 | Area 1 [Supplies]
225 |
| Division 3 | Area 1 [Manufacturing]
209 |
| Division 3 | Area 2 [Manufacturing]
208 |

- Division 4 Area 1 [Fab & Tech Services]
Tool Room / Model Shop - 208

L-45, L-51 and M-06 Classifications
- Division 1 Area 1A [Site & Facilities Services]
X2
- Division 1 Area 1B [Site & Facilities Services]
801
- Division 1 Area 2 [Site & Facilities Services - East & West Complex]
102, 103, 105, 114, 128, 129, 139, 140, 147, 148, 149, 205
300, 317, 335, 337, 843, 845
- Division 1 Area 3A [Site & Facilities Services - North Complex]
199, 200, 210, 214, 215, 334
- Division 1 Area 3B [Site & Facilities Services - South Complex]
111, 207, 208, 209, 336
- Division 1 Area 4A [Site & Facilities Services - Supplies East]
223, 223A, 224, 225A
- Division 1 Area 4B [Site & Facilities Services - Supplies West]
201, 206, 212, 218, Pilot Plants: 118, 119, 120, 121, 130, 213, 141,
143
- Division 1 Area 5A [Site & Facilities Services - Central Site]
Furniture Movers - 110
- Division 1 Area 5B [Site & Facilities Services - Central Site]
Burn Run - 110
- Division 1 Area 6A [Site & Facilities Services]
X2 Custodial Support
- Division 1 Area 6B [Site & Facilities Services]
801 Custodial Supports
- Division 1 Area 7A [Site & Facilities Services]
Supplies Power Plant
119, 120, 130, 141, 213, 223, 223A, 224, 225A, 345, 348, 843, 845
- Division 1 Area 7B [Site & Facilities Services]
North & South Complex Power Plant
111, 118, 121, 143, 199, 200, 200A, 207, 208, 209, 210
214, 215, 318, 334, 336, 351

- Division 1 Area 7C {Site & Facilities Services}
East & West Complex Power Plant
102, 103, 105, 114, 128, 129, 139, 140, 147, 148, 149, 150
201, 205, 206, 212, 218, 300, 304, 317, 335, 337, 338
- Division 1 Area 8A {Site & Facilities Services}
East & West Complex Custodial Support
- Division 1 Area 8B {Site & Facilities Services}
South Complex Custodial Support
- Division 1 Area 8C {Site & Facilities Services}
Supplies Custodial Support
- Division 2 Area 1 {Fab & Tech Services}
Fab & Tech Services – 208
- Division 2 Area 2 {Fusers}
Fuser
- Division 3 Area 1 {Distribution}
210, 215
- Division 3 Area 2 {Distribution}
214
- Division 4 Area 1 {Supplies}
206, 218
- Division 4 Area 2 {Supplies}
223A, 224, 225, 225A
- Division 4 Area 3 {Supplies}
213
- Division 5 Area 1 {Manufacturing}
209
- Division 5 Area 2 {Manufacturing}
208 including iGEN3
- Division 6 Area 1 {Manufacturing}
Commerce Drive – 826
- Division 7 Area 1 {High Rise}
208

GENERAL RULES

1. All hours of overtime shall be charged to an employee during said employee's absence for any reason, with the exception of vacation periods. Overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (ie. year end or staffing move) to offset an imbalance.
2. All scheduled overtime should be posted to be viewed by the employees within the work locations, each Thursday by lunch period.
3. Refusal of Overtime - Anyone refusing overtime will be charged for the amount of time that he/she refused. However, an employee who is requested to work scheduled overtime after noon on Friday for Saturday or Sunday will not be charged if he/she refuses.
4. New Employees - During the first 30 days of employment, an employee will not be scheduled to work overtime unless all others within his/her area in his/her job classification have been canvassed for the overtime. After 30 days, new employees will be credited with the average overtime for their job classification within their overtime balancing area as of the date the employee completes his/her probationary period.
5. When hours are equal, the senior qualified employee in the job classification of the appropriate overtime work group in the area will be offered scheduled overtime. Same conditions shall apply at start of New Year.
6. All non-scheduled overtime hours, except in an emergency, shall be offered four (4) hours in advance wherever possible to the low overtime employee in the particular overtime balancing area and performed only after eight (8) hours of work on a regular shift. However, when emergency situations arise, then in such circumstances, the overtime may be worked regardless of scheduled shift and the duly authorized Shop Representative will be notified of such emergencies.
7. Balancing Overtime Hours Between Shifts - The overtime hours should be equally distributed between shifts within the same job classification in a working area, provided that if either a first, second or third shift schedule is established on Saturday, the employee working the shift during the week will work the same shift on Saturday.
8. Promotions/Transfers - An employee promoted or transferred to another area will be credited, as of the date of promotion or transfer, with the average overtime in his/her new job classification and/or new area.

9. The Master Sheet of accumulated overtime hours (totals) shall be posted weekly in various work locations within the areas.
10. The Shop Representative shall be notified of all scheduled and unscheduled overtime.
11. Accumulated Overtime Hours - Effective January 1 of each calendar year, all accumulated overtime hours will be adjusted to zero.
12. Overtime Canvassing Methodology - Overtime canvassing shall be applied in the following order: Workgroup (Family Group), Area, Division, Site.

OVERTIME BALANCING AGREEMENT

TOOL ROOMS/MODEL SHOPS

EFFECTIVE March 18, 2002

1. Overtime will be balanced within overtime work groups and by classification.

Tool Makers/Experimental Mechanics (AA, A and B), Tool Room Machinists, Jig Bore Operators, and Electrical Model Makers (AA, A and B), are considered separate classifications.
2. For balancing purposes, overtime work groups are defined as follows:
 - Tool Room
 - Model Shops
3. Within a classification/overtime work group:
 - Fixed shift overtime will be worked by the senior employee with the least credited hours, by shift, and the Company shall reserve the right to make substitutions on the basis of individual project knowledge and assignment.
 - In rotational areas, overtime will be worked by the senior employee with the least credited hours, by shift during the employee's normal workweek, and by the senior employee with the least credited hours from any shift on the employee's weekend, or on holidays.

When credited hours are equal, and the senior employee referred to above refuses the overtime, the junior employee (with equal credited hours) could be scheduled to work the overtime.
4. Every reasonable attempt will be made not to exceed a maximum of fifty (50) hours variance among employees within the same overtime work group.
5.
 - A. Every attempt will be made to post the overtime schedule by noon of the regular work day preceding the day in which overtime is required or before noon Thursday for Saturday overtime work, or Friday before lunch for Sunday.
 - B. When week-end overtime is scheduled in more than one Tool Room, the senior employee accepting the overtime assignment will have their choice of site, provided the canvassing is made before

lunch on Thursday. Any week-end overtime assignments occurring after lunch on Thursday will be offered to the next available low employee who has not been offered overtime. No re-canvassing of employees already offered overtime will be made. (Tool Room only)

- C. In four shift rotational areas, Thursday will be considered to be two workdays just prior to the first weekend day, and Friday will be considered to be one workday just prior to the first weekend day.
 - D. The Company shall notify the Union Representative of scheduled overtime and shall attempt, in a timely manner, to notify the Union Representative of unscheduled overtime.
- 6. All overtime hours made available will be charged whether worked or not, except when the employee is on vacation. For purposes of this provision, the "weekend" which immediately follows the week of vacation, shall also be considered as vacation.
 - 7. No overtime swapping will be permitted.
 - 8. Employees will not be requested nor charged for double shifts for the purpose of overtime balancing.
 - 9. New employees, transferees from another shift (fixed shift areas only), and graduating apprentices, will be charged with overtime equal to the average of the overtime group (fixed shift) in which he/she is to work.
 - 10. The Company will provide the Union Representative, by Wednesday of each week, an up to date overtime balance list.
 - 11. At the end of the calendar year, the overtime balancing records will be adjusted to reduce the low person to zero with all others maintaining their relative overtime position.
 - 12. Apprentices will not be offered overtime until all Journeymen within an overtime work group have been offered overtime. The only exception to this rule will be when Journeymen within the same overtime work group are denied overtime specifically to correct an imbalance in excess of 50 hours.
 - 13. Overtime scheduled while an employee is on vacation anytime during the calendar year, shall be tracked separately and can be added to an employee's total, (i.e., year-end or staffing move) to offset an imbalance.

OVERTIME BALANCING AGREEMENT

OFFSET SENIORITY UNIT

EFFECTIVE MARCH 18, 2002

The following conditions will be applied to effect overtime balancing:

- **OVERTIME WORK GROUPS** Overtime work groups will be created/changed by Company/Union agreement. Such changes should only occur as a result of overtime balancing issues or changes in business conditions. The current overtime work group is:

Z-2 - Reprographics/Finishing

- **SCHEDULED OVERTIME** - Scheduled overtime will be offered to employees based on their overtime standing in the appropriate overtime work group.
- **WEEK-END AND HOLIDAY OFF-SHIFT** - Either a second or third shift schedule is established on a week-end or holiday, the employees who work the second or third shift assignment during the week will be scheduled to work the same shift worked during the week regardless of the overtime standing.
- **WEEK-END AND HOLIDAY OVERTIME** - If day shift work is scheduled on a particular week-end or holiday, the low overtime employee will be scheduled for the week-end or holiday work.
- **JOB CONTINUITY** - The low overtime employee working the assignment will be scheduled if job continuity is involved. If job continuity is not a factor than the low overtime employee in the overtime work group will be asked. Job continuity being defined as not able to turn over the assignment simply to the next employee.
- **EQUAL OVERTIME HOURS** - When overtime hours are equal, the senior employee in the overtime work group will be offered the scheduled overtime.
- **FOUR SHIFT ROTATORS** - Regularly scheduled work hours paid at a premium rate of pay for employees assigned to 4-shift rotation will not be included in the overtime computation for purposes of overtime distribution.
- **ACCUMULATED OVERTIME HOURS** - Effective January 1 of each calendar year, all accumulated overtime hours will be adjusted to zero.

NEW EMPLOYEES – Employees will be credited as of the date assigned to the overtime work group with the average of the group. Such employees shall be eligible for overtime in the overtime work group once they are qualified to perform the required work.

EMPLOYEES WILL BE CHARGED FOR OVERTIME IF:

- short term absence – If an employee is absent for one week or less, he/she will be charged for overtime for which he/she would have been eligible.
- **REFUSAL OF OVERTIME** – Anyone refusing overtime will be charged for the actual hours worked on the assignment for which the employee refused. If all employees in the overtime work group refuse they will all be charged for the hours refused. However, an employee who is requested to work scheduled overtime after noon on Friday for Saturday or Sunday will not be charged if they refuse.
- **CALL-IN-OVERTIME** – Anyone refusing overtime will be charged for the amount of paid hours which they personally refused.
- **EXTENDED ABSENCE** – If an employee is absent for more than one week, upon their return they will be placed on the overtime list in a position that places them the same number of hours behind the high employee on overtime, or if high employee, the same number of hours ahead of the second employee when absence began and be placed high person on overtime list.

EMPLOYEES WILL NOT BE CHARGED FOR OVERTIME IF:

- **VACATION** – An employee absent for vacation will not be charged for overtime for which they would have been scheduled during vacation, including Friday vacation days scheduled far enough in advance to be on the weekly schedule. Overtime scheduled while an employee is on vacation anytime during the calendar year shall be tracked separately and can be added to an employee's total, (ie, Year end or staffing move) to offset an imbalance.
- **COMPANY BUSINESS** – An employee absent for Company Business will not be charged for overtime for which they would have been scheduled during that absence for Company business.
- Refusal of scheduled overtime after noon on Friday for Saturday or Sunday.
- Refusal of any overtime assignments in violation of New York State/or Federal Labor Laws.

OPEN-END OVERTIME REFUSAL – Employees refusing an open-ended overtime opportunity will be charged for the actual hours worked on the offered opportunity.

WEEK-END NOTIFICATION – Overtime schedules for Saturday and Sunday will be posted prior to the end of the shift on the Thursday preceding the week-end.

TEMPORARY UPGRADES – Employees temporarily upgraded will be eligible for overtime in the upgraded classification only after it has been offered to the permanent employees of the classification in the appropriate overtime work group. Employees temporarily upgraded will be charged for all hours worked/offered in the upgraded classification, and those hours will be charged to their original overtime group;

Employees temporarily upgraded will be eligible for overtime in their permanent classification, unless working overtime in the upgraded classification..

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○ — Holidays □ — Shutdown

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

JUNE

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

JULY

S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

SEPTEMBER

S	M	T	W	T	F	S
						1 2 3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER

S	M	T	W	T	F	S
						1 2 3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	



— Holidays



— Shutdown